

Dialectics on Its Feet, or the Form of the Consciousness of the Working Class as Historical Subject

Juan Iñigo Carrera

1 Placing Dialectics Right Side Up

In his afterword to *Capital*, Marx defines his method as a dialectical one. In so doing, he explicitly recognises Hegel as ‘the first to present its [dialectics]’ general form of working in a comprehensive and conscious manner’.¹ However, he also points out:

My dialectic method is not only different from the Hegelian, but is its direct opposite . . . With him it is standing on its head. It must be turned right side up again, if you would discover the rational kernel within the mystical shell.²

What does it mean to place dialectics right side up, starting from Hegel’s inversion?

The question cannot be avoided, unless someone were to believe that Marx was incoherent and actually based his developments on the logic of Hegel – of which the latter considered his method to be its content³ – although he stated the necessity of inverting this method.

Could it be about replacing ‘idea’ where Hegel uses the term with ‘matter’ in order to reconstruct a dialectical logic?⁴ Is it about providing ‘materialist content’ for Hegel’s logic?⁵ Is it about placing ‘capital’ where Hegel places ‘idea’?⁶ These changes imply changing the content upon which logic operates. But Marx refers to placing the method itself right side up. Therefore, the point is the very form of the process of knowledge.

1 Marx 1965 [1867], p. 20.

2 Marx 1965 [1867], pp. 19–20.

3 Hegel 1999 [1812–16], p. 53.

4 Althusser 1972, p. 172.

5 Levine 2006, p. 49.

6 Meaney 2002, p. 8; Arthur 1993, pp. 86–7.

Could it be about Marx applying the 'Logic of Essence' where Hegel applies the 'Logic of Being'?⁷ In this case, the inversion would only have a partial character, as if it could be said that Hegel's logic uses arms where it should use legs. But the problem pointed out by Marx is that Hegel's method is inverted from head to toe.

Could the change in form mean proceeding from a general logical structure to one particularly appropriate to its object? In an early stage of the development of his thought, Marx asserted:

However, this comprehension [*Begreifen*] does not, as Hegel thinks, consist in everywhere recognizing the determinations of the logical concept [*des logischen Begriffs*], but rather in grasping the proper logic of the proper object.⁸

Do we thus reach the answer by resorting to a logic that starts from the simplest category which represents the proper object and makes this category develop itself through its own movement, so as to engender a more complex category, and so on, until an integral system of categories which belong to the proper object is completed? For example, is it about the development of the concept of the commodity engendering the concept of money, and the development of the latter engendering the concept of capital, and so on?⁹ Marx himself rejects the idealist inversion inherent in such a procedure:

Apply this method to the categories of political economy and you have the logic and metaphysics of political economy . . . which makes them look as if they had newly blossomed forth in an intellect of pure reason; so much do these categories seem to engender one another, to be linked up and intertwined with one another by the very working of the dialectic movement.¹⁰

Moreover, Marx criticises himself with regard to the risk of letting the form of presentation generate the appearance that his research has fallen into this sort of idealist inversion:

The product becomes a commodity; the commodity becomes exchange value; the exchange value of the commodity is its immanent

7 Smith 1990, pp. 51–3.

8 Marx 1970b [1859], p. 92.

9 Fineschi 2006, pp. 128–9.

10 Marx 1976b [1847], p. 165.

money-property; this, its money-property, separates itself from it in the form of money . . . It will be necessary later . . . to correct the idealist manner of the presentation, which makes it seem as if it were merely a matter of conceptual determinations and of the dialectic of these concepts.¹¹

It happens that logic is a constructive necessity produced by thought, whose movement as such is alien to the movement of the necessity that determines the object. Marx develops, apropos of Proudhon, the unavoidable contradiction implied by any attempt to follow in thought, at the same time, the necessity taken from reality and a logical-constructive necessity:

When M. Proudhon spoke of the *series in the understanding*, of the *logical sequence of categories*, he declared positively that he did not want to give *history according to the order in time* . . . Thus for him everything happened in the *pure ether of reason*. Everything was to be derived from this ether by means of dialectics. Now that he has to put this dialectics into practice, his reason is in default . . . [N]ow we have M. Proudhon reduced to saying that the order in which he gives the economic categories is no longer the order in which they engender one another. Economic evolutions are no longer the evolutions of reason itself. What then does M. Proudhon give us? Real history . . . ? No! History as it takes place in the idea itself? Still less! . . . What history does he give us then? The history of his own contradictions.¹²

The problem with logic, whatever its alleged degree of generality or singularity, resides in its exteriority with respect to the real necessity. Every logical representation rules its path based on the substitution of the real necessity by a constructive necessity that appears as bearing the power to put thought into motion:

Logic – mind's *coin of the realm*, the speculative or *mental value* of man and nature – its essence which has grown totally indifferent to all real determinateness and hence unreal – is *alienated thinking*, and therefore thinking which abstracts from nature and from real man: *abstract thinking*.¹³

11 Marx 1973 [1857–8], pp. 147, 151.

12 Marx 1976b [1847], p. 169.

13 Marx 1975e [1844], p. 330.

Once again, what is the point? Let us address the question by reproducing the paths followed by Hegel and Marx as they present the unfolding of their methods.

2 Hegel's Idealistic Construction of 'Pure Knowledge' Which Immediately is 'Fulfilled Being'

Hegel recognises that scientific knowledge, as the 'science of manifested spirit', starts from 'empirical, *sensuous* consciousness', an '*immediate* knowledge', therefore, a knowledge which emerges from practice.¹⁴

But Hegel idealistically inverts the fact that knowledge is always knowledge of one's subjectivity with respect to the object upon which one is going to act. Instead of facing the question of knowledge as the discovery, by the subject, of the necessity of its action regarding the potentiality of the object, he inverts the question into that of the re-establishment of the identity between the subjective process of knowing and the objective determination of the potentiality, where the former engenders the latter. He thus represents immediate knowledge as pertaining to a subjectivity which confronts itself from its own exteriority, since it is not capable of recognising the object as its own self-realisation. It deals with a subjectivity whose limitation in determining the object resides in that which is not developed even in its self-consciousness as the determinant of the object, in the fact that it does not recognise itself as a determinant.

Consequently, for Hegel, the overcoming of immediate cognition does not consist in the deepening of knowledge of the determinations of the subject and of those of the object, but rather the point is to abstract the movement of knowledge itself, since this movement itself has engendered subjectivity as well as its realisation as objectivity. Therefore, immediate knowledge is not followed by the discovery of the content which determines the necessity of the subject and of the object, by penetrating into this content. For Hegel, the point is simply to penetrate the 'significance . . . of immediate knowledge' itself.¹⁵

Thus, the very forms of the subject's consciousness, already emptied of their historical determinations by having been abstracted from the object of their action,¹⁶ become inverted as if they were the pure object of knowledge which in its movement engenders the consciousness:

¹⁴ Hegel 1999 [1812–16], p. 69.

¹⁵ Ibid.

¹⁶ Consequently, free consciousness that bears the alienation in the commodity – this being the historically specific determination of Hegel's own consciousness – is raised to an abstractly free consciousness.

Spirit . . . has shown itself to us to be . . . *this movement* of the Self which empties itself of itself and links itself into its substance, and also, as Subject, has gone out of that substance into itself, making the substance into an object and a content at the same time as it cancels this difference between objectivity and content. That first reflection out of immediacy is the Subject's differentiation of itself from its substance, or the Notion's separation of itself from itself, the withdrawal into itself and the becoming the pure 'I'.¹⁷

The phenomenology of spirit culminates in 'pure knowledge', 'the *Notion* of science', which is the 'absolute truth of *consciousness*'.¹⁸ Upon reaching this point, in which the forms of consciousness have been elevated to the condition of being the pure object of themselves, Hegel considers that 'in absolute knowing . . . the separation of the *object* from the *certainty of itself* is completely eliminated; truth is now equated with certainty and this certainty with truth'.¹⁹

Since for Hegel consciousness has thus overcome 'the difference between knowledge and truth',²⁰ 'pure science . . . contains *thought in so far as this is just as much the object in its own self, or the object in its own self in so far as it is equally pure thought*'.²¹ And since 'pure knowing as concentrated into this unity [certainty which has become truth] has sublated all reference to an other and to mediation . . . this simple immediacy, therefore, in its true expression is *pure being*'.²²

Thus Hegel arrives at the point of departure of the *Logic*, which is 'pure science, that is, pure knowledge in the entire range of its development'.²³ Once this development has been unfolded:

Thus then logic, too, in the absolute Idea . . . is the Idea that has reached . . . a likeness corresponding to itself. The method is the pure Notion that relates itself only to itself; it is therefore the *simple self-relation* that is *being*. But now it is also *fulfilled being*, the *Notion that comprehends itself*, being as the *concrete* and also absolutely *intensive totality*.²⁴

17 Hegel 1977 [1807], p. 490.

18 Hegel 1999 [1812–16], p. 68.

19 Hegel 1999 [1812–16], p. 49.

20 Hegel 1977 [1807], p. 491.

21 Hegel 1999 [1812–16], p. 49.

22 Hegel 1999 [1812–16], p. 69.

23 Ibid.

24 Hegel 1999 [1812–16], p. 842.

The relationship that the subject of the action establishes with his/her object by ideally appropriating his/her own potentiality with respect to the object's potentiality in order to transform it, namely, the capacity of the human subject to organise his/her conscious action, appears here completely inverted. Hegel represents it as if it were a particular concrete form of an impersonal rationality, of a self-consciousness, which does not arise from human subjectivity, but, conversely, determines it. Here, freedom is not a historically determined social relation whose development is borne in the development of human subjectivity as it objectively advances in knowing its own transforming powers, and therefore transcending itself. Quite the opposite: Hegel idealistically inverts freedom, creating the appearance that it constitutes the attribute of a self-consciousness that only relates to itself in the complete impossibility of transcending its own identity:

The Idea, namely, in positing itself as the absolute *unity* of the pure Notion and its reality and thus contracting itself into the immediacy of *being*, is the *totality* in this form – *nature*. But this determination has not *issued from a process of becoming*, nor is it a *transition*, as when above, the subjective Notion in its totality *becomes objectivity*, and the *subjective end becomes life*. On the contrary, the pure Idea in which the determinateness or reality of the Notion is itself raised into Notion, is an absolute *liberation* for which there is no longer any immediate determination that is not equally *posited* and itself Notion; in this freedom, therefore, no transition takes place.²⁵

What is the concrete reality of this freedom? It is but each and all of the concrete forms of the social relation in the capitalist mode of production – private property, value, contracts, right, fraud, morality, ethics, family, justice, guilt, police, state, and so on – conceived as forms inherent by nature in human subjectivity by grace of the self-conscious Idea.²⁶ Thus:

The state is the actuality of the ethical Idea . . . the actuality of concrete freedom . . . The principle of modern states has prodigious strength and depth because it allows the principle of subjectivity to progress to its culmination in the extreme of self-subsistent personal particularity, and yet

²⁵ Hegel 1999 [1812–16], p. 843.

²⁶ Hegel 2008 [1820].

at the same time brings it back to the substantive unity and so maintains this unity in the principle of subjectivity itself.²⁷

The complete realisation of Hegel's Idea is but the cultivation of the apparently limitless reproduction of the capitalist mode of production with all of its contradictions overcome.

3 Marx's Discovery of Dialectics as the Necessary Form of Revolutionary Consciousness

3.1 *The Analysis*

Marx synthesises his critique of Hegel's method as follows:

Impersonal reason, having outside itself neither a base on which it can pose itself, nor an object to which it can oppose itself, nor a subject with which it can compose itself, is forced to turn head over heels, in posing itself, opposing itself and composing itself . . . If we abstract thus from every subject all the alleged accidents, animate or inanimate, men or things, we are right in saying that in the final abstraction, the only substance left is the logical categories . . . [O]ne has only to make an abstraction of every characteristic distinctive of different movements to attain movement in its abstract condition – purely formal movement, the purely logical formula of movement. If one finds in logical categories the substance of all things, one imagines one has found in the logical formula of movement the *absolute method*, which not only explains all things, but also implies the movement of things . . . All things being reduced to a logical category, and every movement, every act of production, to method, it follows naturally that every aggregate of products and production, of objects and of movement, can be reduced to a form of applied metaphysics . . . So what is this absolute method? . . . The purely logical form of movement or the movement of pure reason . . . Up to now we have exposed only the dialectics of Hegel.²⁸

Next, he observes, 'Hegel has no problems to formulate. He has only dialectics . . . [Proudhon] has the advantage over Hegel of setting problems.'²⁹ By then, Marx

27 Hegel 2008 [1820], pp. 228, 235.

28 Marx 1976b [1847], pp. 162–5.

29 Marx 1976b [1847], p. 168.

had already set his own problem: 'The philosophers have only interpreted the world in various ways; the point is to change it'.³⁰

This problem places us immediately in the field of action. And the first step in the very realisation of action corresponds to its organisation. How could action be organised through a consciousness that goes beyond the interpretation of reality, other than by questioning oneself about the objective potentiality of one's action and, therefore, about this action's necessity? That is, the point is now to answer oneself about the potentiality of one's action *vis-à-vis* the potentiality of its object, namely, about the determination of one's subjectivity as the necessary concrete form of realising the potentiality of the object upon which action is to be taken.

Marx faces for the first time the problem he has posited by reproducing Hegel's course and, consequently, with the perspective that the movement of social life should be explained starting from the movement of the state. Therefore, the overcoming of the barriers to the reproduction of social life should arise from the realisation of the state's ought-to-be. However, just as Marx addresses the practice of such reproduction, he finds that there is a superior social power that imposes upon this assumed ought-to-be, namely, private interest:

[T]he Assembly degrades the executive power, the administrative authorities, the life of the accused, the idea of the state, crime itself, and punishment as well, to *material means of private interest* . . . [which means to] solve each material problem *in a non-political way*, i.e., without any connection with the whole of the reason and morality of the state.³¹

If the state, and even its idea, are but material means of private interest, is political freedom not then a form of this same private interest? How could the state be the subject which is the bearer of human freedom if the political freedom which constitutes it has private interest as its content? Finally, how is it possible to advance, acting politically in a rational manner, without beginning to respond with regard to the necessity of private interest?

At the point where Hegel's abstraction found an answer by resorting to the state as 'the actuality of the ethical Idea', thus bringing down all antagonism to an insufficient development of that Idea in its historical course, Marx's analysis finds a question, namely, the question about the necessity of the subordination of the state, of politics, to private interest. Therefore, Marx seeks to find

³⁰ Marx 1976a [1845], p. 5.

³¹ Marx 1975a [1842], pp. 259, 262.

the necessity of private interest where it manifests itself in an immediate manner, where the lack of all generic unity represented by the state seems to prevail, that is, in 'civil society', whose quality is that 'the only bond between men is natural necessity'.³² The question is now about the organisation of the process in which human beings satisfy their natural needs, whose point of departure is the organisation of the process of social production.³³

Fifteen years after setting his problem, Marx synthesised the path followed by his analysis:

My inquiry led me to the conclusion that neither legal relations nor political forms could be comprehended whether by themselves or on the basis of a so-called general development of the human mind, but that on the contrary they originate in the material conditions of life, the totality of which Hegel . . . embraces within the term 'civil society'; that the anatomy of this civil society, however, has to be sought in political economy.³⁴

Now, the analysis faces the categories of political economy. But as soon as these categories are questioned concerning their necessity, they show that:

We have proceeded from the premises of political economy . . . [I]n its own words, we have shown that the worker sinks to the level of a commodity . . . Labour produces not only commodities; it produces itself and the worker as a *commodity* . . . This fact expresses merely that the object which labour produces – labour's product – confronts it as *something alien*, as a *power independent* of the producer . . . within the *producing activity*, itself.³⁵

Since political economy is a system of categories, its critique in search of its necessity as a concrete form of the consciousness that organises this alienated producing activity, therefore, as a form of alienated consciousness itself, points towards its simplest category: 'The first category in which bourgeois wealth presents itself is that of the *commodity*.'³⁶

But Marx's analysis could not stop at a category, namely, at a form in which this alienated consciousness conceives, and therefore interprets, its own determinations. His analysis needed to face the commodity itself. He recognises in

32 Marx 1967b [1844], pp. 225, 236–7.

33 Marx and Engels 1998 [1845], pp. 47, 48–9, 98.

34 Marx 1987b [1859], p. 262.

35 Marx 1975e [1844], pp. 270–80.

36 Marx 1973 [1857–8], p. 881.

the commodity the simplest real concrete in which the historically specific character of the alienated organisation of social production is manifested. With this, he recognises the commodity as the concrete from which the reproduction in thought of the determinations of the subjectivity able to supersede the capitalist mode of production must necessarily begin:

In the first place, I do not start out from 'concepts', hence I do not start from the 'concept of value' . . . What I start out from is the simplest social form in which the labour-product is presented in contemporary society, and this is 'the commodity'.³⁷

From the *Grundrisse* to *A Contribution* and *Capital* Marx makes here a definitive step forward in putting dialectics on its feet: in the same way that in biology it is clear that the cell from which one departs is a real concrete and not a concept or a category, the commodity, namely, 'the economic cell-form [in bourgeois society]';³⁸ is equally so.

3.2 *The Dialectical Reproduction of the Concrete*

Marx presents the point of departure of the dialectical development by stating, 'The wealth of those societies in which the capitalist mode of production prevails, presents itself as "an immense accumulation of commodities", its unit being a single commodity.'³⁹

On confronting the commodity as a real concrete and not as a category or a concept, the first knowledge of it could enter an exposition only as a simple immediate knowledge, that is, as the simple observation of a fact for whose necessity the very point of departure cannot account. The supersession of Hegel's inversion is already manifested here in a twofold manner. Against Hegel's abstract 'pure knowledge', we have here the modest determined concrete being of the commodity and the modest immediate knowledge which has not gone beyond the appearance presented by social wealth in capitalist society. Moreover, the same supersession is expressed in the unity itself between knowledge and being: here, the existence of the commodity obliges thought to get into motion from its exterior, far from that 'pure knowledge' from whose immediateness 'pure being' emerged. At the same time, this point of departure is empty of any concept able to be placed in motion, either by

37 Marx 2002 [1879/1881], p. 241.

38 Marx 1965 [1867], p. 8.

39 Marx 1965 [1867], p. 35.

imposing upon it a given logical structure, or by expecting that it can get into motion by itself as a consequence of its proper logic.

To overcome its immediateness, knowledge needs to confront analytically the commodity in its reality, in search of the necessity that gives it its character as that simplest social form. The point is to confront the commodity in its real existence, in order to analyse it with the purpose of discovering why it presents the peculiar social property of being a use-value that bears the unnatural power of being an exchange-value. Marx performs this analysis, thus discovering that this attribute of the commodity, its value, emerges from its being a materialisation of a labour which appears to lack any specific quality. He raises the question about the necessity of this labour as the determinant of value, a question which can only be answered by analysing this same labour. He thus discovers that the labour represented as the value of commodities embodies a material quality, that of being a productive physiological expenditure of the human body, and a social quality, that of being that physiological expenditure applied to the production of use-values for other individuals, of social use-values, which has been governed in its application by a private consciousness and independently of those individuals.

Thus, the analysis discovers socially necessary abstract labour, performed in a private and independent manner, to be the human activity that provides the commodity with its exchangeability, with its value. Nevertheless, it cannot answer the question of why this materialised labour represents itself in such a way. The only place where thought can objectively examine the manifestation of this necessity is where this necessity realises itself. Therefore, unless one attempts to force a logical movement upon the object, the only path opened to dialectical knowledge is to reproduce by means of thought the movement through which the commodity expresses its value in reality, that is, to follow ideally the commodity in the practical expression of its value in the process of exchange. How is this possible? Firstly, to say that the commodity has an attribute – namely, its capacity to be exchanged – is the same as saying that it has a potentiality to be realised. Therefore, its real determination is its affirmation as this realised potentiality, or in other words, its negation as that same to-be-realised potentiality. Its determination is the affirmation of its attribute through its own negation. Secondly, thought is the subject's capacity virtually to appropriate his/her own potentiality with respect to the potentiality of its object. Thought thus confronts the real commodity and realises its own determination; that is, it affirms itself as a subjectivity that knows, negating itself as a subjectivity that bears knowledge as a potentiality yet to be realised.

Now, it becomes apparent that although the value of a commodity is a quantity of socially necessary abstract labour, it necessarily takes the form of a cer-

tain quantity of another privately produced use-value. That is, in the capitalist mode of production, social labour only manifests itself in the form of a thing that relates mutually independent producers with each other. At the moment they act as individual organs of social labour, that is, at the moment they organise their social labour, commodity-producers do not appear to be related between themselves, beyond each of them being the bearer of an individual portion of society's total labour-power. However, they do not bear this portion as the capacity to perform a certain concrete labour already determined by the same organisation of social labour, but in so far as it concerns their capacity to perform labour in general, to expend productively their body in general. Then, each one decides, according to his/her own consciousness and will, namely, in a private and independent manner, in which concrete useful form he/she expends his/her labour-power. Each one thus affirms him/herself as a subject free from all personal dependency with respect to those for whom he/she works.

Nevertheless, the recognition of his/her labour as socially useful is not an attribute that belongs to him/her, but a private attribute of everybody else's will. The capacity to recognise the social character of the labour performed by each one is an attribute inherent to the others, and only once the same labour has been materialised in its product. Therefore, this mutual recognition is established through the equalisation of those products in exchange as materialisations of that sole social relation that existed between their producers at the moment in which each of them had to give, in a private and independent manner, a concrete form to his/her capacity to perform labour in general. Provided this generic labour-power has been appropriately applied, that is to say, provided abstract labour has been materialised in a socially useful concrete form, the materiality of that same labour is represented as the social attribute borne by its product to relate, in exchange, with another which bears the same materialisation. That is, the materiality of socially necessary abstract labour is represented as the value of its product, and this product presents its specific social determination as a commodity. This is the indirect form in which the material unity of social production organised in a private and independent manner imposes itself. The value-form taken by commodities is the general social relation that the private independent producers establish between themselves in an indirect manner.

Given that he/she performs his/her labour in a private and independent manner, the commodity-producer fully controls its individual character, and therefore affirms himself/herself as an individual free from any relationship of personal dependence. However, at the same time, he/she lacks any control over his/her labour's social character. The powers of his/her own individual labour with respect to the unity of the process of social metabolism completely

escape his/her control. Consequently, he/she has to submit his/her consciousness and will (which is inherent in a free individual) to the social powers borne by the product of his/her labour. Value, and therefore his/her capacity to take part in the organisation of social labour, and then in social consumption, is not his/her personal attribute. It is an attribute alien to his/her person; it belongs to his/her commodity. The material product of the labour that the consciousness and will of his/hers that is inherent in a free individual have governed confronts him/her as the bearer of a social power that is alien to him/her and to which his/her consciousness and will are submitted. Therefore, the free consciousness and will of commodity-producers are the form in which the alienation of their consciousness and will as attributes of commodities is realised. Their free consciousness is the form taken by their alienated consciousness. Thus, they behave towards the commodity in a fetishistic way.

Starting from the movement of the commodity, we discover alienated consciousness. However, we have not made this discovery by logically developing the category 'commodity', but by reproducing through thought the real movement of commodities. Now, the fact that this alienated consciousness is the one which the commodity-producer employs to govern his/her participation in his/her production confronts us with the following evidence: just as our point of departure was that 'immense accumulation of commodities', alienated consciousness was already present in its realisation at the point of departure itself. Moreover, consciousness is the form in which human subjects bear their capacity to govern their individual labour as organs of social labour. Therefore, regarding commodity-producers, we see that their capacity to govern their individual labour is an attribute that fully concerns their consciousness and will. Nevertheless, at the same time, they lack any control over the social character of their labour. This control is an attribute objectified in the commodity. Therefore, when commodity-producers look at the movement of their own product, what confronts them is the movement of their alienated capacity to govern their social labour. We can then say that, in both *A Contribution* and *Capital*, the point of departure is the specific historical form presented to the subjects of action by their own consciousness in the capitalist mode of production. However, it would have been impossible to begin abstractly from the consciousness itself of commodity-producers, in order to discover free consciousness as the form of alienated consciousness. It is impossible to discover objectively the fetishism of commodities without discovering, first, the specific form in which social labour is organised, which is the production of commodities. Here, the social relation takes form in the consciousness and will of its subjects, and not vice versa.

In addition, let us notice that what confronts us here is not the abstract consciousness of an abstract commodity-producer. Actually, it is the very consciousness which has achieved this discovery, namely, *it is our own consciousness*. Its power to produce the said discovery, and therefore the development of its freedom, is but an expression of the development of its alienation.

Let us continue following the movement of the commodity. The same development of the form of value makes it evident that, even though the general social relation appears to arise *a posteriori* from the material process of production, the organisation of this process requires that one commodity in particular becomes placed apart by the movement of the rest, to act as the socially recognised substantive expression of social labour performed in a private and independent manner. The generalised production of commodities, which makes social wealth appear as an immense accumulation of commodities, implies the developed existence of money. Therefore, the point is not that the commodity has become money, or that the category 'commodity' has engendered the category 'money', by following a logical necessity. The point is that the movement of commodities, namely, the movement of the simplest specific concrete, has placed us in front of the real necessity that determines the existence of money as that objectified expression.

The realisation of commodities as values takes us from production to circulation. When we confronted production, we discovered commodity-producers to be individuals free from any personal dependence who socially relate themselves in an indirect way through commodity-exchange, which operates behind their backs, thus determining their consciousness and will as alienated. Now, in circulation, we see that that indirect relation takes the concrete form of a direct relation, a conscious and voluntary one, as personifications of commodities. Thus we discover that the indirect relation between persons, that is, the economic relation, realises its necessity under the form of a direct relation between personifications, that is, as a juridical relation.

Once again, the accumulation of commodities from which we departed was already mediated in its existence by the juridical relations between commodity-owners, but we were unable to account for these relations at that point. Therefore, those who attempt to start by erasing the specificity of commodities as the social representation of the materiality of socially useful abstract labour performed privately are unable to go beyond the representation of the relationship that exists between economic relations and juridical relations as an external one. Since juridical relations appear to emerge from the will of mutually independent individuals, these conceptions fall victim to the appearance that human beings are abstractly free subjects by nature. From this follows the appearance that alienation is externally imposed upon this nature, thus

hindering the recognition of alienation as the content of freedom, and thus the recognition of freedom as a historical social relation.

When we continue by following with our thought the real movement of commodities in circulation, we come to face the concrete form in which the unity between social production and consumption is established. At the stage where we had completed the first development of the form of value, we knew that the only possibility for this unity was the exchange of commodities in the exact proportion in which they were materialisations of the same quantity of socially necessary abstract labour. Now we discover that this determination affirms itself by taking a concrete form that appears as its own negation: those commodities whose production exceeds or falls short, *vis-à-vis* the amount of the solvent social necessity for them at their value, retain their capacity to enter the exchange-relation. But they do so by representing a greater or lesser amount of social labour than the socially necessary one which they actually embody. That is, the realisation of the values of commodities takes concrete shape, in competition, through the selling of commodities above or beneath their values.

Again, the point here is not that the category 'commodity' has logically engendered the category 'competition'. Nor is it the case that we have started by abstracting the commodity from the contingencies of competition, by constructively introducing the simplifying assumption of the immediate realisation of value, and that we are now lifting this assumption. However, the point is also not that the commodity we came to know at first carried in itself, as a latent potentiality, the necessity of engendering the movement of competition. On the contrary, as the elementary form of the initial accumulation of commodities, it was the full expression of the realisation of all the concrete determinations of competition. But it was impossible at that stage for us to apprehend it as such with our thought. Only by beginning with the commodity as the simplest specific concrete could we come completely to appropriate its determination as a full concrete.

As soon as the movement of commodities in circulation demands that we account for its concrete form as competition, we advance another step in recognising the determinations of the consciousness and will of personifications. All the direct relations that they establish in the organisation of social life necessarily have an antagonistic character.

The movement of money as a means of circulation synthesises the determinations of commodities that we have developed thus far. $C - M - C$: in order to satisfy their human needs by purchasing commodities which bear use-value for them, commodity-producers must have first appropriately acted as alienated personifications in the production and realisation of value. This is a pro-

duction of use-values whose condition lies in the production of value. Therefore, the objective of the circuit remains beyond it. But when we ideally follow the movement of money, we find out that the very form of this movement confronts us with the functions of money as hoard and as means of payment. Here, commodity-production has as its immediate aim the production of the objectified general social relation: both circuits end in money.

However, the production of the general social relation is, above all, the production of the capacity to open the circuit of the process of social metabolism, that is, the production of the capacity to put into motion individual labours as organs of social labour. Thus, the reproduction by means of thought of the movement of money faces us with the movement of the objectified general social relation, which opens the circuit of production of commodities with the immediate aim of producing more of itself: $M - C - M'$. Now we recognise the general social relation as capital, that is, as the capacity to put social labour into motion with the immediate aim of producing more of this same capacity. The reason for this circuit resides within the circuit itself. This is a modality of organising the process of social metabolism which has its self-multiplication as its immediate aim. Therefore, this is a social relation that acts as the immediate subject of social production, namely, an automatic organisation of social production. The consciousness and will of the individuals are concrete forms that embody the realisation of this organisation, which as such confronts them as an alien power that dominates them.

We thus discover that commodity-production, from whose simplest concrete expression we departed, is not a production of use-values mediated by the production of value. We recognise this determination now as an appearance. Commodity-production has the valorisation of capital as its immediate aim, and use-values for human life are produced only provided that surplus-value is produced. It is not about the category 'commodity' engendering the category 'capital'. On the contrary, we are now able to recognise that the simplest concrete from which we departed, the commodity, is the product of capital.

At the stage where we recognised the commodity as the simplest concrete presented by the capitalist mode of production, it appeared that no general social relation pre-existed the private decision about the concrete form in which each producer would expend his/her individual portion of society's labour-power. The general social relation only appeared to emerge from private production, ruled by these decisions; so this alienated social relation appeared, then, as the one which determined the consciousness of the commodity-producers, in the form of the necessity to produce value. Now it becomes evident that the objectified social relation pre-existed the putting

into action of social labour in a private manner, and that the will of the capitalist, as the personification of capital, is but the concrete form under which this modality of organising social production realises its necessity.

Had we stopped before reaching this point, we would have fallen victim to an appearance which was the inverse of the true content. It would have been impossible for us to discover that the commodity from which we departed is not the simple product of labour, but the product of a labour alienated to capital. Nevertheless, we now recognise the true concrete determination, only because we departed from the commodity as that simplest concrete which confronted us in its immediateness.

As the substantive form of the general social relation, money acting as capital starts by recognising as socially necessary the labour privately materialised in two types of commodities, namely, labour-power and means of production. Then, the labour-power is transformed into living labour, which becomes materialised in a private and independent manner in a new commodity, which in turn is transformed into money, as it is recognised in circulation as a materialisation of socially necessary abstract labour.

When we faced the commodity for the first time, private ownership of one's means of production appeared to be necessary in order to produce it. Now, from a more developed concrete point of view, we see that the content is the opposite one: the worker sells his/her labour-power because, as a free individual, he/she is separated from his/her means of production. Workers are free individuals in a double sense. Freedom, which we knew to be the form of the alienation in commodities, shows through its real movement that, actually, it is the form of the alienation in capital.

It is not about the category 'capital' engendering the category 'commodity labour-power', and even less so about constructing a category 'capital' which satisfies the requirement of treating labour-power as a commodity. What we have done is to reproduce in thought the fact that the general social relation proper to the capitalist mode of production puts itself into motion by determining the worker's capacity to work as its own product.

By thus following the movement of capital, we discover that the true content enclosed by the exchange of commodities as equivalent materialisations of social labour implies that the worker is forced to render more social labour than that materialised in the means of subsistence he/she receives in exchange. That is, the exchange of equivalents is the form taken by the exploitation of the worker by capital.

Initially, when we discovered the commodity as the objectified form of the general social relation in the capitalist mode of production, it appeared that, on the one hand, the direct producer had complete control over his/her indi-

vidual labour while, on the other hand, no direct control existed over the social character of labour. We can now see that, on the one hand, the direct producer of commodities, the worker, remains a free individual although he/she does not have complete control over his/her individual labour. As this free individual, he/she must obey the authority of the capitalist who has purchased his/her labour-power. On the other hand, the capitalist directly controls the worker's labour, thus controlling a social labour, albeit in a private way. Then, just at this stage of reproducing the movement of the general social relation, we are able to recognise the commodity from which we departed as the product of a certain direct organisation – therefore conscious and voluntary – of social labour. We thus discover that private labour is not merely such, but a contradiction in itself: private labour socially organised within itself.

As an objectified social relation that immediately aims at producing more of itself, capital realises its determination by lengthening the working day. However, this, its very movement, confronts us with the negation of its own reproduction, in so far as the lengthening of the working day undermines the reproduction of labour-power. When we follow the development of this contradiction, we find that its first pole simply reproduces the antagonistic relationship between the workers as sellers of the same commodity, namely, the competition among themselves. On the contrary, the second pole causes this competition to take the concrete shape of its opposite, namely, solidarity as the normal form of selling labour-power at its value.

Thus far, it appeared that the owners of commodities were only able to relate directly with each other as personifications on an individual basis, namely, juridical relations could not go beyond private ones. But after following the movement of capital, we discover that the antagonistic relations between personifications necessarily have a public character, namely, a political character, in so far as the universe of the sellers of labour-power confronts the universe of its purchasers. In this confrontation, the former determine themselves as the working class and the latter as the capitalist class. That is, the indirect organisation of social labour through the valorisation of capital has class-struggle as its necessary concrete form. In other words, in the capitalist mode of production, the political action of social classes is the concrete form taken by capital-valorisation. In turn, the concrete forms of class-struggle confront us with the determination of the state as the political representative of the totality of the individual capitals of society.

Now, this concrete form taken by the buying and selling of labour-power confronts us with the fact that, where the independent action of individual capitals as the subjects of valorisation appeared to be the only possible unity within the process of social metabolism, these are not the actual subjects of

the said unity. In a concrete manner, total social capital is the subject of that unity. Therefore, the very alienated subject of this mode of organising the process of social metabolism is the unity of its self-reproduction.

The contradiction between a limited working day and capital's valorisation confronts us with the production of relative surplus-value. In it, the apparently independent movement of each individual capital in pursuit of an extraordinary surplus-value, achieved by developing the productivity of its workers, results in the reduction of the value of the workers' means of subsistence, and therefore the reduction of the value of labour-power and, finally, the increase of the rate of surplus-value.

Let us follow the movement of capital into the production of relative surplus-value and leap forward, for reasons of brevity, to its most powerful form: the system of machinery of large-scale industry. Now, we are able to recognise that the commodity from which we departed was the concrete realised form of very different determinations from those we were able to discover in it as the simplest specific concrete. As that simplest concrete, we knew it as the product of a free individual, who as such exerted complete control over his/her individual labour but lacked any control over its social character, so he/she had to alienate his/her consciousness to the social powers of the product of his/her labour, or, in other words, he/she had to produce value. The development of capital as the subject of the production of relative surplus-value shows us now, firstly, that the commodity from which we departed concretely is the product of the labour of a collective of doubly-free individuals. Secondly, this collective worker consciously governs the labour of its individual organs by means of a production-plan elaborated by an objective, namely scientific, consciousness. Therefore, the collective worker acts with complete control over the unity of its labour as a private organ of social production. However, it lacks any control over the general social character of its labour. Consequently, it has to alienate its consciousness in the service of the social powers of the product of its labour, that is, it has to produce surplus-value.⁴⁰

Thus far, we have followed capital along the complete movement of its circuit of valorisation, that is to say, along the process within which surplus-value emerges from capital. The only movement that capital presents us, beyond this circuit, is the reproduction of this same circuit. As we follow this reproduction, we are confronted by three contents that appeared inverted in the buying and selling of labour-power in circulation, beyond the exchange of equivalents as the necessary form of exploitation. Firstly, under the form of the worker's freedom, he/she is a forced labourer for total social capital. Secondly, under the

40 Íñigo Carrera 2008 [2003], pp. 15–23.

form of the worker's personal interest in reproducing him/herself, the need of capital to reproduce labour-power is achieved. Thirdly, under the form of private property based on one's own labour, private property based on the gratuitous appropriation of the product of others' labour asserts itself.

Certainly the latter determination was present in the commodity from which we departed. Why did we not depart directly by making evident this actual content? Because it would have implied we were attempting to discover the necessity borne in the commodity produced by capital by turning the point of departure into an abstraction. Given its own aim, the dialectics that reproduces the concrete in thought can only start from the immediacy with which the unity between the subject and the object (the subject's own alienated social relation) actually confronts the former under its simplest concrete form.⁴¹

As we follow the reproduction of capital, we find out that the expansion of the private capacity directly to organise social labour develops beyond the concentration of each individual capital, through the centralisation of capitals. And in this double movement, we confront the most developed concrete form of the contradiction that emerges from the fact that the immediate object of social production is the extensive and intensive multiplication of the capacity to put social labour in motion. This attribute determines the capitalist mode of production as a revolutionary one, with respect to the development of the productive forces of social labour. Nevertheless, the same attribute determines it as a barrier to this development. Its extreme expression in this sense is the transformation of an increasing part of the working class into a surplus-population for capital, that is, for its own general social relation.

The reproduction by way of thought of the movement of the materialised social relation brings us now to the specific historical determination of the capitalist mode of production. This is the development of the productive forces of labour by means of the ever increasing socialisation of private labour. The socialisation of labour implies that consciousness is able to govern the organisation of the process of social metabolism by objectively knowing the potentiality of human productive activity with respect to the potentialities presented by its environment. Private labour implies that consciousness is unable to know in an objective manner the same potentialities and their unity, as they confront it as powers materialised in the products of labour to which it is submitted. The capitalist mode of production is itself a contradiction in constant development towards its own supersession through the complete socialisation of labour.

41 Marx 1965 [1867], pp. 583–6.

4 Dialectics as Reproduction of the Concrete by Way of Thought and Its Subject

To supersede the constructive necessity that rules the path of thought means to leave thought without any necessity to follow other than that with which the movement of its object faces it. The point is to develop 'a reproduction of the concrete by way of thought'.⁴²

Given its very form, this reproduction cannot take an autonomous shape, constructed by the proper movement itself of the categories of thought abstracted from their object. Then, the question here is as follows: upon which concrete could the method of the reproduction of the concrete by way of thought be developed for the first time in history?

Knowledge is the form in which the subject organises its action of actually appropriating its environment, by virtually appropriating the potentiality of its action with respect to the potentialities that its environment offers it. More specifically, consciousness is the form in which the individual human subject rules his/her action as an organ of the process of social metabolism based upon labour. Consciousness is thus the form in which the human subject carries in his/her person his/her social relation.

Therefore, firstly, the object of human knowledge is always the knowledge of one's own subjectivity. Secondly, the form of consciousness, namely, the method by which the human subject produces his/her knowledge, is in itself a form of his/her own social relation. As it is a social relation, far from being a natural form, the method of knowledge is a historically determined form. In this historical determination, Marx opposes his method to Hegel's:

In its mystified form, dialectic . . . seemed to transfigure and to glorify the existing state of things. In its rational form it . . . is in its essence critical and revolutionary.⁴³

A consciousness whose method divorces the movement of thought from the actual movement is neither an aberration nor an expression of 'inadequacy' or 'immaturity', as Hegel believed concerning formal logical representation.⁴⁴ It is a consciousness whose social being inhibits it from fully appropriating its own real powers. Thus, these very powers confront it as powers it is unable to control. It is an alienated consciousness. Instead of being able to advance by repro-

⁴² Marx 1973 [1857–8], p. 101.

⁴³ Marx 1965 [1867], p. 20.

⁴⁴ Hegel 1999 [1812–16], pp. 38, 685.

ducing the real necessity embodied in its object, it needs to replace this necessity with an ideal constructive necessity, with a logic that puts into motion a system of categories, in order to appear as the most pure expression of an abstractly free subjectivity.

Therefore, the need to develop a dialectic the inverse of Hegel's – a dialectic that replaces constructive necessity with the reproduction of real necessity in thought – finds its basis in a form of a specific historical development of the productive forces of social labour. It arises from the need of the process of social metabolism to invert the mode by which it rules itself. That is, this dialectic has its point of departure within a mode of production in which the subject lacks complete control over the social powers of his/her own labour. Thus, these powers confront him/her as an objectified attribute of the material product of that labour and, therefore, as alien to his/her own subjectivity. Therefore, even the objective consciousness (namely, scientific consciousness) of the said subject needs to stop at that appearance. And this need takes concrete shape in a method of cognition that substitutes the necessity inherent in its object with an ideal constructive necessity alien to that objectivity. The radical inversion of this mode of regulating the process of social metabolism implies that the subject's consciousness reaches the complete domination of his/her condition as an individual organ of social labour and, therefore, that the subject's consciousness recognises the power of social labour as his/her own power. However, this new form of consciousness can only be engendered by the development of the pre-existent one. Therefore, its birth appears as the inversion of the most powerful form of the pre-existent method. Thus, the production of the new consciousness takes concrete shape in the method of cognition that, given that it has the necessity itself of its object as the only necessity to follow, forces its subject to face his/her own alienation. And this is the first step given by that subject in the historically specific development of his/her freedom.

The production of this consciousness is, therefore, the concrete through which the method of the 'reproduction of the concrete by way of thought' necessarily could be developed for the first time in history.

Hegel's *Science of Logic* is the social objectification (a text) of the process in which a consciousness, historically determined by its social being, produces itself on the basis of stopping at the appearance of being an abstract self-consciousness, which in its own movement engenders the real. It is the most developed expression of an alienated consciousness which, in order to reproduce itself in its alienation, needs to take the inversion inherent in any logical representation to its final consequences.

To presuppose the requirement of a logical necessity to apprehend any real concrete in thought is, by itself, to presuppose that the real concrete lacks all proper necessity to be mentally followed. If real necessity existed, what sense would there be to resort to a mental constructive necessity instead of simply following the development of the real one with our thought? Therefore, the real forms must appear as being unable to relate, to move by themselves, at the beginning of the process of representation. Nevertheless, when they emerge from this process, they do so full of the relations that logic has established between them.

However, Hegel does not consider concrete forms to be unable to move by themselves. Instead, he discovers the form of the real movement, namely, self-affirmation through self-negation.⁴⁵ Nevertheless, at the same time, he reproduces the appearance proper of the representation by inverting the said movement, as if it emerged from the movement of a consciousness that has itself as its sole determination, of a self-consciousness:

Accordingly, what is to be considered here as method is only the movement of the *Notion* itself, the nature of which movement has already been cognized; but *first*, there is now the added *significance* that the *Notion is everything*, and its movement is the *universal absolute activity*, the self-determining and self-realizing movement . . . The method . . . is therefore not only the highest *force*, or rather the *sole* and absolute *force* of reason, but also its supreme and sole *urge* to find and cognize *itself by means of itself in everything*.⁴⁶

However, by discovering that self-affirmation through self-negation is the simplest and more general form of determination, Hegel takes philosophy to the end of its historical possibility to bear the advance of the objective consciousness in the organisation of social metabolism. He does so, as the very form of his method makes evident the need for the missing final step, in which real necessity is put in the place thus far occupied by ideal necessity. After Hegel, philosophy can only withdraw towards the rational cultivation of the purest formal exteriority (logical positivism) or towards the cultivation of the crudest irrationality (Nietzsche, postmodernism).

Capital is not a concept whose movement obeys the necessity imposed upon it by thought. The relation is completely the opposite. Capital is a general social relation, that is, a mode of organising social labour and, therefore, social

45 Marx 1975e [1844], p. 332.

46 Hegel 1999 [1812–16], p. 826.

consumption. In this mode of production, the organisation of social labour within each unit of production is an attribute that privately pertains to it. Conversely, each productive unit lacks control over the general social character of the labour it performs. Social labour is organised in a private and independent way. The unity between social production and consumption is thus established in an indirect manner. The capacity to privately organise social labour operates as an attribute materialised in the product of the same labour. At the same time, the immediate aim that rules the putting into action of social labour is not the production of social use-values, but the expanded reproduction of the same objectified capacity to put into action social labour in a private manner. The objectified social relation is the one that puts into action social labour in order to produce more of itself. Such is capital's essential determination.

Again, consciousness is, above all, the capacity of human subjects to rule their own individual labour as organs of social labour. However, in the capitalist mode of production, this power confronts its subjects as a power that belongs to the material product of their social labour. That is, the determination proper of the subjects' consciousness confronts their consciousness itself as a power located beyond it, as an autonomised capacity to put into action social labour which their consciousness itself must obey, that is, of which consciousness must act as a concrete form of realisation. As such, the said autonomised capacity puts consciousness into movement. In reality, the movement of capital puts thought into movement, determining it as an alienated thought.

As a historical form of the development of the productive forces of social labour, capital determines a specific movement of consciousness. The specifically capitalist form of developing the productive forces of social labour consists in the progressive socialisation of private labour. That is, it consists in the development of the capacity to organise social labour through the objective knowledge of one's own determinations, as a concrete form of the realisation of the development of the organisation of social labour as the negation of such objective knowledge. The development of the productive forces of immediately social free labour as an attribute of its very negation, namely, of private labour, is the contradiction that synthesises the historical potentialities and the absolute limit of the capitalist mode of production. And the transformation of the materiality of the labour in which the development of the said contradiction takes concrete form (the production of relative surplus-value) determines the working class to be the subject whose action realises such development.

The capitalist social relation itself needs to engender this social subject, which produces its consciousness under the form in which every constructive

necessity – that as such seems to make thought move by itself independently of the actual movement of its object – must disappear. At the same time, the place of this constructive necessity can only be taken by the reproduction in thought of the movement of the very necessity of the real concrete. Therefore, it is about a subject whose general social relation provides it with no starting point other than being in possession of an alienated consciousness and, consequently, a consciousness which is a prisoner of the idealistic inversions of logical representation. But it is about a subject determined by its general social relation as the bearer of the necessity to develop its consciousness up to the point of freeing it from any inverted construction. It is, therefore, about an alienated subject whose social being makes it the active subject of the revolutionary transformation of the mode of organising the process of social production, which it accomplishes by abolishing all alienation. The reproduction of the concrete by means of thought, through which every subject rules his/her individual labour as he/she completely knows him/herself as an organ of social labour, thus asserts itself as the concrete form of the general social relation.

Marx's *Capital* is the social objectification (a text) of the process in which, for the first time in history, the movement of the general social relation of the working class as an alienated subject confronts this subject with the necessity to rule its conscious action by giving an account of its own alienation, which it can do because it has the real development of the latter as the only source of its own flow. This alienated subject, which advances in its freedom by becoming aware of its alienation, thus becomes aware of the historical power that this same alienated social relation provides it as the necessary subject of its supersession. And knowing such powers means nothing other than organising such radical superseding action. In other words, *Capital* is in itself the development, performed for the first time and in a form that allows its social reproduction, of the alienated consciousness of the working class that produces itself as an alienated consciousness that is aware of its own alienation and of the historical powers it derives therefrom.

Method: From the *Grundrisse* to *Capital*

Juan Iñigo Carrera

Questions of method: concerning the point of departure

In August 1857, Marx began writing the drafts of what was eventually to become *Capital*, now published as the *Grundrisse*. In the opening lines of the manuscript, he states: 'Individuals producing in society – hence socially determined individual production – is, of course, the point of departure'.¹

In the same notebooks, he laid out the sequence that the development of his ideas was to take: '(1) the general, abstract determinants which obtain in more or less all forms of society, but in the above-explained sense. (2) The categories which make up the inner structure of bourgeois society ...'.²

Marx had earlier established the need for the same point of departure together with Engels.³ However, barely a year after penning that first draft, and as a direct consequence of it, he started working on the *Contribution to the Critique of Political Economy*, making the commodity his new starting point.⁴ From then onwards, Marx not only re-vindicated this latter beginning of the critique of political economy but, when presenting it in the opening paragraph of *Capital*, also stated its necessity: 'The wealth of those societies in which the capitalist mode of production prevails,

1. Marx 1993, p. 83.

2. Marx 1993, p. 108.

3. Marx and Engels 2004, p. 42.

4. Marx 1911, p. 19.

presents itself as “an immense accumulation of commodities”, its unit being a single commodity. Our investigation must, therefore, begin with the analysis of a commodity’.⁵

Towards the end of his life, Marx once again emphasised the necessity of this starting point: ‘In the first place, I do not start out from “concepts”, hence I do not start from the “concept of value”, and do not have “to divide” these in any way. What I start out from is the simplest social form in which the labour-product is presented in contemporary society, and this is “the commodity”’.⁶

Only the actual argument unfolded in the text of the *Grundrisse* mediates in the shift from the starting point laid out in its first paragraph cited above to the one in the *Contribution*. The text of the *Grundrisse* itself must, therefore, be the place in which to seek the traces left by that transition.

Several Marxist theorists have considered that the change in the point of departure reflects the passage from the process of inquiry to that of presentation, whose different modalities Marx alluded to in *Capital*.⁷ Thus, some scholars have asserted that the development leading from the *Grundrisse* to *Capital* essentially pertains to the presentation.⁸ Furthermore, others have claimed that the dialectical development only belongs to the method of presentation.⁹ Finally, some authors have argued that Marx deliberately tried to conceal the method of inquiry in the published versions of his critique of political economy.¹⁰ The implication of this line of argument is that any attempt to find the key to the method of inquiry would have to focus on the *Grundrisse*, rather than on *Capital*. However, one cannot but wonder whether the change in the point of departure is not, rather, a development of the method of inquiry itself, which only reaches its plenitude in *Capital*. In this case, the key to the question lies in recognising the actual concrete content of that development.

This question of the redefinition of the point of departure places us squarely before another problem. In the *Grundrisse*, Marx begins his study of capitalist economic forms by firstly taking as his object the categories established by political economy. He thus faces the determinations of value by engaging in a critique of the theory of the ‘time-chit’: ‘The point to be examined here is the convertibility of the time-chit. . . . [A] few observations can be made about the delusions on which the time-chit rests, which allow us an insight into the depths of the

5. Marx 1965, p. 35.

6. Marx 2002, p. 241.

7. Marx 1965, p. 19.

8. Rosdolsky 1977, p. 189.

9. Fraser 1997, pp. 97–8; Carchedi 1993, pp. 195–7; Arthur 1993, p. 68.

10. Nicolaus 1993, p. 60; Reichelt 1995, p. 41.

secret which links Proudhon's theory of circulation with his general theory – his theory of the determination of value'.¹¹

One can recognise a similar approach to the real subject matter in his 1844 Paris manuscripts:

We have started out from the premises of political economy. We have accepted its language and its laws. . . . It is true that we took the concept of *alienated labour* (*alienated life*) from political economy as a result of the movement of *private property*.¹²

In contrast, Marx opens the *Contribution* with his own positive unfolding of the determinations of the commodity. It is precisely this latter development that culminates with the *raison d'être* of the categories of political economy, including the theory of the time-chit. In other words, the critique of political economy no longer proceeds by accompanying the development of the theories of political economy up to the point in which the critical discussion puts it before the need to address the real determination. On the contrary, the critique starts by confronting the real determination itself and follows it in its development to the point where the categories of political economy are revealed as necessary ideological forms of existence of that real determination. This new course of the argument only reaches maturity in *Capital*, especially in the definitive version of the first chapter in the second edition. Marx begins there by unfolding the determinations of the commodity, and concludes the dialectical development contained in that chapter by showing how both classical and vulgar political economy are two necessary forms taken by consciousness held captive by commodity-fetishism.¹³ Once again, we face the question of the nature of the methodological change entailed by the modification in the form of Marx's argument. Just as the result of this change materialises for the first time in the *Contribution*, we are only able to track down the path of its development in the text of the *Grundrisse*.

Representation or reproduction of the concrete

The second way in which the point of departure is transformed puts us before a third methodological issue that is far more intriguing and complex. No reader, much less one well versed in current scientific research-methods, could have failed to notice a peculiar aspect of the aforementioned quotation from the *Notes on Adolph Wagner*: 'In the first place, I do not start out from "concepts". . .'

11. Marx 1993, p. 136.

12. Marx 1992a, p. 322, 332.

13. Marx 1965, pp. 80–3.

How so? Is not the representation of reality that arises of necessity from the definition of concepts or theoretical categories the only method of developing scientific knowledge? Nowadays, two main forms of human knowledge can be distinguished: intuition, namely immediate non-rational knowledge, and rational conception, namely the representation that starts from concepts and establishes relations among them according to a constructive necessity, that is, a *logic* (more on this below). However, in the *Grundrisse*, Marx opposes a third form of knowledge to those two, which he defines not only as having a rational character, but also as a way of overcoming representation as such: 'The concrete is concrete because it is the concentration of many determinations, hence unity of the diverse. It appears in the process of thinking, therefore, as a process of concentration, as a result, not as a point of departure, even though it is the point of departure in reality and hence also the point of departure for observation [*Anschauung*] and conception [*Vorstellung*].¹⁴ Along the first path the full conception was evaporated to yield an abstract determination; along the second, the abstract determinations lead towards a reproduction of the concrete by way of thought'.¹⁵

The name of each method itself indicates the specific differences between them. To *represent* the concrete means taking its manifestations as they are presented to us at face-value, in order to present them once again as if they were subject to relationships of necessity dictated by the constructive logic of representation itself. Those manifestations can be either those that appear immediately to our eyes, or those that can only be apprehended through the mediation of an analytic process that has managed to abstract the manifestations themselves based on the (more or less) universal features of the concrete in question. However, regardless of the degree of detail achieved by the analysis, the necessity represented always corresponds to the externality of the manifestations that it has put in relation to each other. Penetrating this externality to extract the true necessity at stake is, by definition, alien to its aim.

By contrast, *reproducing* the concrete by means of thought implies that the course taken by the progression of ideas must be the same as that followed by the development of the necessity of the concrete, namely by its determination, in its real actuality. The movement of thought cannot introduce any necessity

14. Nicolaus translates *Vorstellung* as 'conception'. Hegel uses the term *Vorstellung* to refer to thought that stops at the apparent exteriority of its object, precisely in opposition to conceptual thought, which, always via an idealist inversion, engenders the object as a concrete form of realising its concept (see Inwood 1992, pp. 257–9). Putting the question of the forms of knowledge back on its feet, although a conception is the result of the process of representing something, the actual term *representation* expresses directly the very form of the method utilised.

15. Marx 1993, p. 101.

not found in its real object. Thus, it cannot resort to any constructive necessity that establishes a certain point of departure. Consequently, this form of knowledge cannot start out from concepts, but only from the actual concrete.

The existence of two methods of rational thought that are essentially at odds may appear strange. However, this could not have been the case for Marx, who was very familiar with Hegel's work and who had 'skimmed' once more through *The Science of Logic* while writing the *Grundrisse*.¹⁶ In his texts, Hegel persistently contrasts dialectics – which he terms 'speculative thought' in his idealistic inversion – and the method of representation that bases its constructions on formal foundations, that is, on the formal externality of its object.¹⁷ However, his idealistic inversion made him stop at the appearance that the unfolding of logical necessity itself engenders the real. His own theory was thus condemned to being a representation of reality.

Now, beyond principally formal references, the contrast between *representation* and *reproduction* has received scant attention from Marxist theorists working on the issue of method in the *Grundrisse* and its relationship with Hegel's method. In general terms, the specificity of the method developed by Marx is presented as if this were an issue bearing on the form of the constructive necessity, hence of the logic used, and thus as if it were about the difference between two kinds of representation. In some cases, *representation* and *reproduction* are employed as interchangeable terms.¹⁸ On the other hand, even those who recognise that Marx opposes his method to representation tend to replace the term *reproduction* [*Reproduktion*] with that of *reconstruction*.¹⁹ The etymology of this word refers to the joining of elements that are mutually external to each other. In that condition of mutual exteriority, they therefore lack any immanent necessity to establish a relation. The latter can only be established through a necessity stemming from the constructive process itself rather than from its object. As Hegel pointed out – precisely in order to show the limits of representation – maybe this is a case in which 'that which is known in general terms, precisely for being *known*, is not acknowledged'.²⁰

Now, it is clear that since its foundation political economy has known no other method than that of logical representation. Yet, the paragraph quoted above where Marx presents the method of the *reproduction* of the concrete flows directly from this one:

16. Marx and Engels 1983, p. 248.

17. See Hegel 1999, pp. 458–61, pp. 496–8, pp. 624–5; Hegel 1977, pp. 8–9, 18–20, 34–43.

18. Musto 2008, p. 15.

19. Dussel 1985, p. 33, p. 48, p. 52; Smith 1990, p. 20, pp. 34–5, p. 60; Psychopedis 1992, p. 33; Meaney 2002, p. 3; Ilyenkov 1982, p. 136.

20. Hegel 1977, p. 18; translation modified.

The economists of the seventeenth century, e.g., always begin with the living whole, with population, nation, state, several states, etc.; but they always conclude by discovering through analysis a small number of determinant, abstract, general relations such as division of labour, money, value, etc. As soon as these individual moments had been more or less firmly established and abstracted, there began the economic systems, which ascended from the simple relations, such as labour, division of labour, need, exchange value, to the level of the state, exchange between nations and the world market. The latter is obviously the scientifically correct method.²¹

How is it possible for Marx to say that the method used by political economy is the right one, while at the same time defining the outcome of its deployment as *reproduction*, in opposition even to political economy's own self-understanding of the nature of its theories as *representations* of reality?

Furthermore, in the afterword to the second edition of *Capital*, as in the *Theories of Surplus Value*, Marx indicates how the method used by classical political economy leaves room for the element of vulgar political economy to emerge. He also highlights how, on the basis of such a methodological approach, the historical development of political economy reveals it as a form of consciousness doomed to lose all scientific content in order to become the pure apology for the capitalist mode of production as the latter progresses towards its own supersession:

For the development of political economy and of the opposition to which it gives rise keeps pace with the *real* development of the social contradictions and class conflicts inherent in capitalist production. Only when political economy has reached a certain stage of development and has assumed well-established forms . . . does the separation of the element whose notion of the phenomena consists of a mere reflection of them take place, i.e., its vulgar element becomes a special aspect of political economy. . . . Since such works only appear when political economy has reached the end of its scope as a science, they are at the same time the *graveyard* of this science.²²

In utter contrast to this destiny of political economy inherent in its method, Marx defines the historical role of the method of the critique of political economy, 'my dialectical method', by stating: 'In its rational form it is a scandal and abomination to bourgeoisdom and its doctrinaire professors, because it includes in its comprehension and affirmative recognition of the existing state of things, at the same time also, the recognition of the negation of that state, of its inevitable breaking up; because it regards every historically developed social form as in fluid movement, and therefore takes into account its transient nature not less

21. Marx 1993, pp. 100–1.

22. Marx 1971, pp. 921–2.

than its momentary existence; because it lets nothing impose upon it, and is in its essence critical and revolutionary'.²³

On the other hand, the same point made by Marx about the two historical stages followed by classical political economy – from its seventeenth-century beginnings to its maturity with the works of Smith and Ricardo – makes it clear that its naturalisation of capitalist relations does not derive, *pace* Rosdolsky,²⁴ from the fact that it confines its procedure to the analytical stage without subsequently returning to the more concrete forms.

Once we disregard any possibility of incoherence on Marx's part, the only possible answer is that, while both methods (logical representation and the ideal reproduction of the concrete) go through the two-fold path of analysis and synthesis, each form of scientific knowledge undertakes each of these two steps in different concrete forms. These concrete forms need to be so different from each other that their respective outcomes are, in one case, the *representation* of the concrete in thought and, in the other, the *reproduction* of the concrete in thought. What is more, their difference must be so profound that while the historical development of the former turns it into 'the graveyard of science' and the apologetic for capitalist social relations, the other becomes the scientific form of consciousness which buries those social relations. The divergence in historical trajectories does not arise from taking a different real content as an object of inquiry, but from the very form in which the same content is appropriated in thought.

It is thus clear that Marx's methodological remarks at the start of the *Grundrisse* do not constitute an unproblematic synthesis that could straightforwardly resolve the issue of the specificity of the method of the critique of political economy. On the contrary, they raise more questions than answers. The 1857 introduction provides no more than a concise rendition of certain aspects of the dialectical method whose content must be further developed in a critical fashion. In this chapter, we shall therefore firstly elaborate on the question of the difference in form between the representation and the reproduction of the concrete in thought. On this basis, we shall subsequently discuss the other two methodological evolutions on which we commented above that lead from the *Grundrisse* to the *Contribution* and *Capital*.

23. Marx 1973, p. 20.

24. Rosdolsky 1977, p. 567.

The methods of scientific knowledge²⁵

Both the representation and the reproduction of the concrete are constructions of an ideal nature, in other words, constructions of thought. As Marx points out, both start by facing a real concrete. Moreover, both aim to appropriate in thought the determinations of the concrete in question with a view to intervene in its development, that is, to act upon it. Both intend to give such an action the character of an action that is objectively aware of its own cause. In this sense, they depart from the premise of not accepting any necessary content other than that found in its object, nor forcing on its object any necessity springing from the subjectivity of the researcher. In turn, this means that they begin by facing the real concrete in order to go beyond the appearance that it presents to immediate cognition in search of its true determination. In other words, both methodological approaches begin with the *analysis* of the real concrete. In the following sections, we explore in more detail each form of the process of cognition in order to bring out the fundamental differences that set the two scientific methods apart.

Logical representation

Let us start by examining the way in which the analysis characteristic of logical representation conceives the foundations of its own objectivity. The latter is seen as ruling out all possibility that an existing concrete may carry within itself a causal necessity other than the immediate manifestation of its very form. On this basis, there is no other possible expression of the general nature of causality other than the greater or lesser regularity of its manifestations. It follows that the analysis that leads from the immediate concrete to the discovery of the most simple and general determination must consist in the identification of recurring attributes.²⁶ Therefore, the necessity of its simplest concepts and categories is founded on the repeated presence of an attribute in the original concrete. The qualitative development that determines the general, specific and singular is represented indistinctly from, if not confused with, the merely quantitative development of the universal, particular and individual. This also implies that those simpler concepts are obtained by assuming a *purely ideal* concrete bereft of non-recurring real attributes. They therefore cannot correspond to any *actually existing* concrete simpler than that with which the analysis began.

25. I have originally presented the fundamental aspects of the following discussion on method in Iñigo Carrera 1992 and Iñigo Carrera 2008, pp. 235–368.

26. Hempel 1965, pp. 231, pp. 253–4.

Once the degree of repetition considered sufficient for the abstraction of those general concepts from the original concrete has been achieved, the process must reverse its direction. In this second phase, the representation of the concrete arises as a unity in which the more and less general concepts obtained in the analytical phase are placed in a necessary relation to each other. Thus, on the basis of the simplest necessary element identified in the first phase, progress is subsequently made by re-incorporating the attributes formerly excluded as accidental, or, in other words, by removing 'simplifying assumptions'. However, given that the analysis began by conceiving each concrete as devoid of any causal necessity that transcends the objectivity of its immediate affirmation, the concepts arising from it cannot but preserve this condition. As a result, they must be placed in relation to each other by recourse to a *constructive necessity* that is inevitably external to them and that simultaneously preserves the mutual externality of those concepts in the represented unity. *Logic* is thus this constructive necessity which represents all objective connection as if it were an external relationship between concepts. It gives coherence to the reciprocal externality of all concepts and relationships involved in representation based on its own necessarily tautological nature. Hence the tautological nature of the synthesis itself.²⁷

True, most Marxist authors referred to earlier do not necessarily subscribe to this manner of proceeding.²⁸ They oppose to it what they define as a dialectical approach. However, they rarely explicitly state the specific form that the analysis should take within the dialectical investigation. Thus, it is stated that the key resides in distinguishing between necessary and contingent moments,²⁹ between empirical and substantive abstractions,³⁰ or between general and determinate abstractions.³¹ These contributions recognise that abstract forms must be sought within more concrete ones. However, they usually do not explain either the way in which this search should be made, or the basis on which those differences could be established. In the cases in which the form of analysis is made explicit, this is sometimes seen as entailing the repetition of common attributes (thus not differing from representational analysis).³² Alternatively, other scholars have characterised the analytical process in a Cartesian fashion, namely, as the decomposition of the complex totality into mutually external simple elements.³³ Finally, some authors have argued that elemental concepts should be defined in terms of the aim or finality of the theoretical construction, in other words, that

27. Carnap 1959, p. 143, p. 145.

28. An obvious exception is that of analytical Marxists. See Burns 2000, pp. 86–98.

29. Reuten 1988, p. 143.

30. Bonefeld 1992, pp. 104–5.

31. Fraser 1997, p. 93.

32. Dussel 1985, p. 33.

33. Murray 1988, pp. 121–9; Dussel 1985, p. 51.

they should be posited by the criterion of the researcher *prior to* the scientific development itself.³⁴

Given that the concepts arising from these modes of analysis are bereft of a necessity which would drive them to self-transcendence, the relationship between them is represented by a constructive necessity defined as a *dialectical logic*. In some cases, it is stated that a concept should be logically derived from another until a system is structured, although the concrete form in which this process is to take place is not actually explained.³⁵ In other cases, the derivation is founded in a parallel with the development of Hegel's *Logic*,³⁶ or in the doubling of abstract notions,³⁷ or in the unfolding of determined categories as the condition of existence of determinant ones.³⁸ Other approaches see dialectical logic as involving the attempt to place the parts in a relationship to the whole, which implies relapsing into a process of synthesis in which the general and specific are reduced to the mutually external nature of the universal and particular.³⁹ In all cases, the inevitable result is a concrete in thought whose nature as the outcome of a purely ideal intertwining of concepts is beyond question, hence its condition as a systematic conceptual representation in opposition to a reproduction.⁴⁰

Other Marxist conceptions posit that the dialectical-logical development should be driven forward by the tendencies for determinate actions of social agents that are intrinsic to the social form referred to by each theoretical category,⁴¹ or by the practical insufficiency of each form achieved.⁴² However, these approaches do not explain how to solve the rift that these procedures generate in the actual consistency of the conceptual development. On the one hand, this implies following a sequence that responds to a constructive necessity, and on the other, a sequence that follows the movement of the real concrete itself.⁴³

These ideas have provided the grounds for the claim that developments based on dialectical logic are not tautological in nature.⁴⁴ However, the very same developments undertaken with the purpose of structuring a dialectical logic capable of bringing coherence to the representation of the concrete as a unity of opposites have concluded that such logic necessarily requires each of them to

34. Mattick 1993, p. 122; Smith 1990, pp. 34, 68; Psychopedis 1992, p. 34.

35. Foley 1986, pp. 3–11.

36. Uchida 1988; Arthur 1993, p. 73; Smith 1990; Murray 1988, pp. 161, 184, 231.

37. Reuten 1988, p. 52.

38. Arthur 1993, p. 67; Carchedi 1987, p. 75.

39. Dussel 1985, p. 52.

40. Marx 2002, p. 244.

41. Smith 1993, pp. 19–20.

42. Mattick 1993, p. 128.

43. Marx 2005, pp. 120–4.

44. Arthur 1993, p. 67.

be defined as simple immediate affirmations.⁴⁵ This is not a circumstantial fact. If each pole were accorded the capacity to affirm through self-negation, it would then have to be recognised as the bearer of a necessity whose realisation would set it into *self*-movement independently of its opposite. In this case, one would have to accept that the introduction of a constructive necessity representing all movement as a relationship between opposites would be redundant. What is more, inasmuch as this logical movement would collide with the real one of affirmation through self-negation, it would lead the process of cognition towards incoherence. Hence the external and tautological nature underlying, in the last instance, all conceptual relationships representing the real movement by means of a dialectical logic.⁴⁶

Let us now see how the application of this method appears in the very point of departure of political economy. For example, Adam Smith uses it to ground the simplest determination on which to develop his theory of the organisation of social life. 'The principle which gives occasion to the division of labour', he argues, stems from 'a certain propensity in human nature . . . to truck, barter, and exchange one thing for another' whose discovery lies in observing that 'it is common to all men, and to be found in no other race of animals'.⁴⁷

This same form of analysis appears when Smith has to ground the general determination which dictates that the labour-content of exchange-value is not directly expressed as such, but rather as quantities of another commodity, and, more concretely, as price. The entire foundation is reduced to the assertion that the first expression is 'more frequently' observed and 'is more natural, therefore' than the comparison 'with labour', while at the same time, 'every particular commodity is more frequently exchanged for money than for any other commodity'.⁴⁸

Let us note, in passing, how the recurrence of the most immediate appearance allows this mode of analysis to present it in an inverted form as the true general determination. This is what Hegel had in mind when he said that:

[S]ince in this procedure the ground is derived from the phenomenon and its determinations are based on it, the phenomenon certainly flows quite

45. Joja 1969, pp. 111–13, 157; Lefebvre 1984, p. 154.

46. In his defence of dialectical logic, Ilyenkov (1982) falls into circular reasoning by arguing that the identification of the relevant aspect to be abstracted by analysis 'presupposes the comprehension' of its specific role and place in the whole (Ilyenkov 1982, p. 103). In turn, he conceives the process of synthesis as the 'combination' (p. 37) of a pair of the abstracted concepts, which are complementary as each of them presents an aspect lacking in the other (pp. 88–92). Consequently, he can only ground the capacity to identify which pair of opposed aspects is determining in each case by asserting that it 'is an axiom of dialectics' (p. 138).

47. Smith 1852, p. 6.

48. Smith 1852, p. 13.

smoothly and with a favourable wind from its ground... The exposition begins with grounds which are placed in mid-air as principles and primary concepts;... Therefore he who aims to penetrate such sciences must begin by instilling his mind with these grounds, a distasteful business for reason because it is asked to treat what is groundless as a valid foundation.⁴⁹

It is precisely by virtue of the way in which logical representation opens the door to the inversion of immediate appearances into the content of the determination that political economy exhausts its role as science to engender its apologetic form as vulgar economics.

As for the return to the concrete by lifting simplifying assumptions, both Adam Smith and David Ricardo offer a particularly illustrative example in the aesthetically-naturalising form taken by their depiction of the transition from the 'early and rude state of society' to 'the accumulation of stock'. This transition is reduced to the substitution of the assumption that 'capital' belongs to the labourer for the more realistic one that 'all the implements necessary to kill the beaver and deer might belong to one class of men, and the labour employed in their destruction might be furnished by another class'.⁵⁰

Dialectical reproduction: from '*Capital*' to the '*Grundrisse*'

Already before the *Grundrisse*, Marx had exposed the ultimate result of the analysis based on the construction of an abstract representation of the concrete by forcefully stripping it of its attributes: 'In consequence of thus abstracting all the so-called accidents, animate or inanimate, men or things, we are right in saying that in the final abstraction we have as substance the logical categories'.⁵¹

Even earlier, Marx had exposed the inversion inherent in all representation by which logic appears as the necessity that sets the concrete into motion, with the latter in turn conceived of under the appearance of being inert and therefore incapable of self-movement. Initially, he had limited himself to making a case for replacing a constructive necessity of a general nature with one that corresponded to the specificity of its concrete object: 'the proper logic of the proper object'.⁵² However, later he advanced in the development of a scientific method capable of overcoming the externality of the constructive necessity *vis-à-vis* the real necessity of its object, making it clear that this externality was inherent in logic itself, no matter how concrete one might wish to make it: 'Logic is the

49. Hegel 1999, pp. 459–60.

50. Ricardo 1821, p. 17.

51. Marx 2005, p. 115.

52. Marx 1982, p. 92.

currency of the mind, the speculative *thought-value* of man and of nature, their essence which has become completely indifferent to all real determinateness and hence unreal, *alienated thought*, and therefore thought which abstracts from nature and from real man: *abstract thought*'.⁵³

It might seem that, in the same text on the method in the *Grundrisse*, Marx is leaving room for a form of analysis guided by the search for a recurring attribute: 'As a rule, the most general abstractions arise only in the midst of the richest possible concrete development, where one thing appears as common to many, to all. Then it ceases to be thinkable in a particular form alone'.⁵⁴

However, at stake in this passage is the condition of universal existence of the concrete that allows its abstraction to be thought up. In turn, the representation that starts out from an analysis based on repetition is the most immediate form of thought. Yet, precisely because of this it is unable to transcend the appearances of repetition itself. For example, freedom and equality can only be conceived of as abstract categories when they have become universal forms of the general social relation. However, despite this recurring presence, the latter says nothing about their content or, in other words, of their necessity: '[T]he stale argumentation of the degenerate economics of most recent times . . . *which demonstrates* that economic relations everywhere express *the same* simple determinants, and hence that they everywhere express the equality and freedom of the simple exchange of exchange values; this point entirely reduces itself to an infantile abstraction'.⁵⁵

Now, the specific aim of this paper is to address the issue of method in the *Grundrisse*. However, let us recall the methodological observation made by Marx in the latter book itself: 'Human anatomy contains a key to the anatomy of the ape. The intimations of higher development among the subordinate animal species, however, can be understood only after the higher development is already known'.⁵⁶

Thus, *pace* Mepham, let us thus begin by taking as the concrete object of our study of the dialectical method in the *Grundrisse* the fully-developed shape that it would acquire in *Capital*.⁵⁷

The analysis pertaining to the dialectical method begins by confronting a determinate concrete. However, far from seeking out others alike to see what

53. Marx 1992a, p. 383.

54. Marx 1993, p. 104.

55. Marx 1993, p. 249.

56. Marx 1993, p. 105.

57. Mepham also resorts to this same analogy to discuss the evolution of Marx's method from the *Grundrisse* to *Capital*, but to argue against its use as an appropriate way of approaching the question. In an Althusserian fashion, he thus postulates a 'radical discontinuity' between those two texts. See Mepham 1989, pp. 232–3.

recurs in their manifestations, it attempts to uncover the necessity whose immediate self-realisation has taken the form of (hence determined) the original concrete. In other words, dialectical analysis penetrates the real concrete in search of the necessity that makes it what it is. It does so by separating the necessity in question in what it has as a pure potentiality, from its already realised result. The analysis thus separates the content of necessity (and hence, abstract existence) from its realised form (hence, concrete existence).⁵⁸ Once this first step has been made, the process must advance step-by-step towards the discovery of an ever simpler potential necessity. This is done by taking the content of the recently-discovered necessity as a concrete form in which its own necessity-content has in turn self-realised. In other words, the analysis moves forward by taking the abstract form uncovered in its determination as a concrete form itself.

In *Capital*, Marx makes evident how the analysis begins by facing the specific determination of the commodity as a social relation under the concrete form in which this determination presents itself, that is to say, under the form of exchange-value. He points out how, at first glance, it seems impossible that this concrete form is able to carry within itself a different content from its outward appearance.⁵⁹ However, this immediate appearance of exchange-value as an abstract quantitative relation dissolves as soon as it is analysed. In asking about the necessity for the existence of the quantitative relationship of equality between different use-values, it becomes clear that the latter immediately entails the existence of a common content. Let us note that what is at stake, here, is not the search for a recurring attribute, but the discovery of the source that allows each one of these two qualitatively different use-values indifferently to take the place of the other. Thus, such content cannot arise from the exchange-relation but, instead, must find expression within it.⁶⁰ The analysis continues by facing that common substance crystallised in the commodity in order to separate its realised form from its necessity as pure potentiality yet to be realised, that is to say, as the very action capable of engendering this common substance. At this point, the analysis faces the potentiality of human productive action, in other words, of labour, as the source of the commodity's exchangeability. Still, it discovers this potentiality only when taking a further step that abstracts labour from its concrete forms of realisation. This means it discovers that the necessity of value so far has the following as its simplest content: '[H]uman labour in the abstract. . . . [T]he same unsubstantial reality in each, a mere congelation of

58. '... all science would be superfluous if the outward appearance and the essence of things directly coincided' (Marx 1966a, p. 817).

59. Marx 1965, p. 36.

60. Marx 1965, p. 37.

homogeneous human labour, of labour-power expended without regard to the mode of its expenditure'.⁶¹

Now, the analysis cannot stop there. It has discovered abstract labour as the realised action that endows the commodity with value. However, inasmuch as abstract labour is itself a potentiality that has been realised, it appears to be devoid of all qualities except, precisely, its qualitative indifference. Thus, the analysis must search for the content of the necessity of abstract labour that produces commodities, which it finds in the material nature of abstract labour: 'Productive activity, if we leave out of sight its special form, viz., the useful character of the labour, is nothing but the expenditure of human labour-power. . . . [A] productive expenditure of human brains, nerves, and muscles . . .'.⁶²

The analysis must now answer the following question: how can this material expenditure of human body, a condition of human life in general, be the determinant for the social specificity of the commodity? It thus continues by separating this materiality as an individual expenditure of labour-power from its necessity as an active organ of the process of social metabolism. Accordingly, the analysis discovers that this material expenditure has as its specific qualitative content the way in which the individual carrying it out rules his/her participation in the organisation of social labour. It is a productive expenditure of a human corporeality in general, which is made for others, whose concrete realisation is fully controlled by the will of the individual performing it. The commodity-producer controls by means of his or her own individual will how and what to produce for other members of society. Thus he or she consciously controls, free from personal dependence, the exercise of his or her individual capacity to perform social labour. At the same time, however, his or her consciousness is excluded from the organisation of the labour carried out by any other individual commodity-producer. There is no alien individual will, nor any collective will, organising the expenditure of the individual labour-power applied to the production of commodities. The labour that produces commodities is thus social labour privately undertaken by mutually independent producers: 'Only such products can become commodities with regard to each other, as result from different kinds of labour, each kind being carried on independently and for the account of private individuals'.⁶³

61. Marx 1965, p. 38.

62. Marx 1965, p. 44.

63. Marx 1965, p. 42. This translation obscures Marx's direct reference to 'mutually independent private labours' [*voneinander unabhängiger Privatarbeiten*] as the determinant of commodities. Nevertheless, the translations by E. and C. Paul and the one by Fowkes directly omit the word 'private'. Such an omission at this crucial point has prevented us from using them for our quotations. It is noteworthy how Marxist political economy has displaced the private form with which social labour is performed in capitalism as the specific determinant of the commodity-form. From this perspective, two main

The analysis that gives way to the reproduction of the concrete by means of thought does not end because the researcher arbitrarily decides to cease identifying recurring features in order to produce an even more abstract concept. Instead, it concludes, because when searching for the necessity of the recently-discovered content, it becomes plain that it can only be found by accompanying the self-realisation of that content in its necessary concrete form. Let us return to the case of the value-content of the commodity. Analysis has allowed us to discover that the commodity has value, that is to say, the attribute of exchangeability, because privately and independently performed socially necessary abstract labour has been materialised in it. This places us squarely in front of another question: why is it that this private and independent realisation of the material expenditure of human labour-power in general endows its product with the social attribute of value? The analysis, however, is unable to answer this question.⁶⁴

In fact, if we examine the manner in which Marx presents how this point has been reached, the limit of the analysis appears as emerging from a change in its modality. Up to this point, it involved the search of the necessity of the content. Conversely, in its latest step, Marx presents it as if it were unable to penetrate through the exteriority of a recurring attribute, namely, that of being the product of private and independent labour. In other words, the analysis appears as having to assume the modality characteristic of the method of representation.

The question about the necessity of value now faces us in such a way that it can only be answered by accompanying the realisation of the specific potentiality that the analysis has discovered as an immanent actuality in the commodity. The commodity's exchangeability, posited by the materialisation of abstract socially necessary labour carried out in a private and independent manner, confronts us in the manner of a content that must account for its own necessity by realising it. Hence, the development must follow the movement of value in its necessary concrete form of expression as exchange-value.⁶⁵

Marx thus successively unfolds the forms of the exchange-relation, asking each one in turn which content it progressively reveals. Let us note that this development does not imply a simpler form engendering a more concrete one. Instead, the unfolding of the former's necessity evidences the necessity of the

strands can be identified. The first one, principally based on the work of Sraffa, maintains that value is determined by the immediate material unity between social production and consumption, thus replacing private labour with one that is directly social as the foundation of the commodity-form. The second, which stems mainly from Rubin, holds that the specificity of commodity-producing labour is its 'abstract' character, which is defined in opposition to the materiality of abstract labour pointed out by Marx as a simple productive expenditure of the human body. On this issue, see Iñigo Carrera 2007, pp. 107–80.

64. Marx 1965, p. 47.

65. Marx 1965, pp. 47–8.

existence of the latter. The starting point from which to follow the development of the necessity of value to manifest in the concrete form of exchange-value is the simplest expression of the latter, namely, the exchange-relation between two different commodities: 'The whole mystery of the form of value lies hidden in this elementary form. Its analysis, therefore, is our real difficulty'.⁶⁶

Already in this simplest form, it is clear that the value of a commodity, i.e. the socially-necessary abstract labour materialised in it in a private and independent form, does not only manifest itself in a purely relative manner. In addition, it does so necessarily through the use-value of another commodity that acts as its equivalent.⁶⁷ Above all, this first step in the process of unfolding of the value-content of the commodity in its necessary form as an exchange-value makes evident the same determinations already uncovered by the analysis:

We see, then, all that our analysis of the value of commodities has already told us, is told us by the linen itself, so soon as it comes into communication with another commodity, the coat. Only it betrays its thoughts in that language with which alone it is familiar, the language of commodities. In order to tell us that its own value is created by labour in its abstract character of human labour, it says that the coat, in so far as it is worth as much as the linen, and therefore is value, consists of the same labour as the linen.⁶⁸

Thus it might appear as if all that is at stake, now, is to present what the analysis has already discovered. Yet, we immediately discover that, in appropriating the 'language of commodities', that is, in reproducing in thought the commodity's immanent movement, certain determinations that the analysis was unable to discover now come to the fore. In first instance, the commodity affirms itself as the real subject whose development must be followed in thought: 'It therefore follows that the simple form of value of the commodity is at the same time the simple form of value of the product of labour, and also that the development of the commodity-form coincides with the development of the value-form'.⁶⁹

The analysis could not account for the necessity of the commodity as its starting point. Matters are different as soon as thought begins to reproduce the

66. Marx 1965, p. 48. With this statement, Marx brings out the specific difference between the representation and reproduction of the concrete. In the former, the key to the discovery of the law of determination lies in formal generalisation. By contrast, in the latter the key resides in the simplest expression of the content. See also Hegel 1999, p. 280.

67. Marx 1965, p. 19.

68. Marx 1965, p. 52.

69. Marx 1990a, p. 67. We were forced to resort to this edition of *Capital* for this particular quotation because the edition we are normally using introduces here an alleged reference to the historical development of commodities that is completely absent from the German original.

movement of a commodity in its social relationship with another. In this second phase, the commodity shows itself as the necessary point of departure for the discovery of the concrete determinations of the specific form in which the materiality of the process of social metabolism in the capitalist mode of production is organised. The exposition here reflects the actual course of the research, which moves along a path alien to that of any analysis.

In this ideal reproduction of the concrete, the research moves forward and uncovers the necessity according to which the general materiality of the labour represented in the value of the commodity appears in the very form of the exchange-relation.⁷⁰ At the same time, it reveals that the apparent absence of all unity in the materiality of the labour represented by value is the indirect form in which the general unity of the material process of social labour is realised.⁷¹ Subsequently, it makes evident that this unity needs to acquire an expression that can synthesise it in the very movement of its own organisation, in other words, in the very movement of commodities.⁷² In effect, in the exchange-relation, the corporeal materiality of any concrete form of the product of social labour mutates into that of the general equivalent as a synthetic expression of the indirect unity of social labour. This reveals that the unity of social labour is specifically established in capitalism on the basis of the general materiality of human labour, namely of the simple productive expenditure of the human body:

The substance linen becomes the visible incarnation, the social chrysalis state of every kind of human labour. . . . In this manner the labour realised in the values of commodities is presented not only under its negative aspect, under which abstraction is made from every concrete form and useful property of actual work, but its own positive nature is made to reveal itself expressly. The general value form is the reduction of all kinds of actual labour to their common character of being human labour generally, of being the expenditure of human labour-power.⁷³

We can now see that the reproduction of the necessity of the commodity in its realisation not only progresses by discovering determinations that the analysis was impotent to bring out. At the same time, it exposes the actual appearances to which it would have stuck had the research been interrupted at that stage. In the process of analysis, the unity of social labour expressed in the exchangeability of the commodity may appear, at first, as something determined by the absence of all material content in abstract labour. Only in a second step does the

70. Marx 1965, p. 63.

71. Ibid.

72. Marx 1965, p. 66.

73. Marx 1965, p. 67.

analysis inevitably face this materiality. By contrast, in the development of the value-form taken by the determination of the indirect unity of social labour, it becomes clear that such unity is predicated on the real material quality of abstract labour as a productive expenditure of human corporeality. This evidence comes up already in the simplest expression of value. In effect, the concrete labour that produced the equivalent can express the abstract labour that produced the commodity occupying the relative pole, only because its materiality as a simple expenditure of human labour-power is identical to that of the latter. As Marx points out, inasmuch as the analysis is the necessary first step in the scientific cognition of an actual concrete, it appears as easier to deal with, and even as sufficient, *vis-à-vis* the difficulty inherent in the second phase comprising the reproduction of the concrete in thought. Yet, it is only this second phase that has the power to account for the possible apparent abstractions that could have emerged in the course of the first, analytic phase: 'It is, in reality, much easier to discover by analysis the earthly core of the misty creations of religion, than, conversely, it is, to develop from the actual relations of life the corresponding celestialised forms of those relations. The latter method is the only materialistic, and therefore the only scientific one'.⁷⁴

The development of the value-form taken by the product of social labour performed privately and independently has shown us that, in the capitalist mode of production, the organisation of social production and consumption is not realised directly by consciously ruling the concrete material form taken by each individual labour. On the contrary, social labour achieves its unity indirectly, premised on the material identity of labour as human productive activity in general, that is, as labour whose materiality as the expenditure of human labour-power has not yet assumed a specific concrete form.⁷⁵ Thus, the unfolding of this form of organisation of the social labour-process cannot come to a halt without accounting for the necessary form in which it is borne in the consciousness of its subjects. Having arrived at this point, that which in the analytical stage could only be uncovered in a rather external fashion on the basis of mere repetition, is now exposed as emerging from the reproduction in thought of its own movement:

[A]rticles of utility become commodities, only because they are products of the labour of private individuals or groups of individuals who carry on their work independently of each other. The sum total of the labour of all these private individuals forms the aggregate labour of society. Since the producers do not come into social contact with each other until they exchange their

74. Marx 1965, pp. 372–3, n. 4.

75. Marx 1965, p. 67.

products, the specific social character of each producer's labour does not show itself except in the act of exchange. In other words, the labour of the individual asserts itself as a part of the labour of society, only by means of the relations which the act of exchange establishes directly between the products, and indirectly, through them, between the producers.⁷⁶

In sum, the development of the form of value does not simply consist in the exposition of the determinations of value that were already discovered through analysis. On the contrary, only such a development is able to reveal that, when organising their social labour, the mutually-independent producers cannot rely on any social relation other than their general condition as individual bearers of the capacity to expend their bodies productively, in other words, to carry out labour in general. It is incumbent on each private producer to expend this generic capacity in a determined concrete form. In other words, each of them privately exerts his or her abstract labour in the form of a determined concrete labour. If this expenditure of labour-power has materialised under a socially-useful concrete form, the corresponding abstract labour will be represented as the social attribute of its product to establish an exchange-relation with another bearer of an identical objectification of abstract labour. The materiality of socially-necessary abstract labour is represented as the value of its product, which thus acquires the specific social determination of a commodity. The material unity of privately and independently undertaken social production is established in this indirect form. The value-form taken by commodities is the general social relation indirectly established by the mutually-free producers. This is the reason why the product of their own labour confronts them as the bearer of an alien social power that dominates them.

The scope of the dialectical method in the *Grundrisse*

Let us return to the *Grundrisse*. Already in these manuscripts, Marx reveals the historical specificity of the commodity as the general social relation in a society where social labour is organised privately and independently, which determines its producers as mutually-free persons:

The dissolution of all products and activities into exchange-values presupposes the dissolution of all fixed personal (historic) relations of dependence in production, as well as the all-sided dependence of the producers on one another. Each individual's production is dependent on the production of all others; and the transformation of his product into the necessities of his own life is

76. Marx 1965, pp. 72–3. Again, Marx's direct attribution of the private character to labour, *Privatarbeiten*, becomes an attribute of the individuals in the translation.

[similarly] dependent on the consumption of all others. . . . The reciprocal and all-sided dependence of individuals who are indifferent to one another forms their social connection. This social bond is expressed in *exchange-value*, by means of which alone each individual's own activity or his product becomes an activity and a product for him; he must produce a general product – *exchange-value*, . . . The individual carries his social power, as well as his bond with society, in his pocket. . . . Each individual possesses social power in the form of a thing. Rob the thing of this social power and you must give it to persons to exercise over persons.⁷⁷

It might seem, then, that the difference in the development of the dialectical method mediating between the *Grundrisse* and *Capital* is limited to the greater wealth of detail with which the latter presents the same essential question already uncovered in the former (namely, the simplest form of the general social relation in a society of mutually-free individuals). However, as soon as we examine the path taken by Marx in the *Grundrisse*, we can see that the discovery of the determinations of value still follows an essentially analytical course. In fact, from a methodological viewpoint, the specific richness of this part of the *Grundrisse* among Marx's works lies in the fact that it gives transparency to the limits weighing on progress during the analytical phase. The argument in *Capital* overcomes these limitations in the flow of synthetic reproduction. As we shall see below, the primacy of the analytical course is reflected in the limits on the cognition of the substance of value and, hence, in the development of this substance into its necessary concrete forms.

In progressing analytically, Marx discovers in the *Grundrisse* that at stake in the determination of use-values as commodities is the organisation of the materiality of social labour. He also discovers that the unity of this materiality manifests itself indirectly through the circulation of commodities. Yet, he only comes to face the materiality of abstract labour under the external appearance of its opposite, as the total absence of all materiality:

In becoming an exchange value, a product (or activity) is not only transformed into a definite quantitative relation, a relative number . . . but it must also at the same time be transformed qualitatively, be transposed into another element, so that both commodities become magnitudes of the same kind, of the same unit, i.e., commensurable. The commodity first has to be transposed into labour time, into something qualitatively different from itself (qualitatively different (1) because it is not labour time as labour time, but materialised labour time; labour time not in the form of motion, but at rest; not in the form of the process, but of the result; (2) because it is not the objectification of labour time

77. Marx 1993, pp. 156–8.

in general, which exists only as a conception (it is only a conception of labour separated from its quality, subject merely to quantitative variations), but rather the specific result of a specific, of a naturally specified, kind of labour which differs qualitatively from other kinds), in order then to be compared as a specific amount of labour time, as a certain magnitude of labour, with other amounts of labour time, other magnitudes of labour.⁷⁸

The general social relation thus appears bereft of the simplest material content bestowed by its historical specificity. This means that Marx has not yet discovered that its movement originates in the unity of society's material capacity to undertake labour in general, in order to impose itself indirectly through the concrete material forms in which this capacity has been privately and independently exerted. Thus, its movement is presented as if it emerged from the abstractly-ideal nature assigned to its simplest specific content. With such content reduced to the condition of a mere representation, namely to an abstractly ideal construction, the development of its concrete forms by means of thought appears correspondingly inverted. Instead of responding to the fact that thought follows the real movement, it appears as if the movement of thought itself were conceptually engendering those concrete forms: 'The product becomes a commodity; the commodity becomes exchange-value; the exchange-value of the commodity is its immanent money-property; this, its money-property, separates itself from it in the form of money . . .'.⁷⁹

Marx himself subjects his development to criticism, exposing its upside-down nature: 'It will be necessary later, before this question is dropped, to correct the idealist manner of the presentation, which makes it seem as if it were merely a matter of conceptual determinations and of the dialectic of these concepts. Above all in the case of the phrase: product (or activity) becomes commodity; commodity, exchange-value; exchange-value, money.'⁸⁰

Let us leave aside any improvements in the exposition of what has already been uncovered in the *Grundrisse* to focus on the key to the qualitative leap in the dialectical development that mediates between its point of departure and that of the *Contribution*, and which would be fully completed later in *Capital*. This key lies in the discovery of the material quality of abstract labour as a generic productive expenditure of human labour-power, of the human body,

78. Marx 1993, p. 143. The difficult path taken by the reproduction of the concrete by means of thought has a noticeable expression when, in the *Contribution*, Marx discovered for the first time the materiality of abstract labour as a simple productive expenditure of the human body while, at the same time, he was not yet able to fully separate this materiality from that corresponding to the material difference between simple and complex labour (Marx 1911, p. 24).

79. Marx 1993, p. 147.

80. Marx 1993, p. 151.

of muscles, brain, and so on, which, inasmuch as it is performed privately and independently, becomes represented as the social attribute of its product. Such a discovery was made possible only by Marx's development of the form of value.

In turn, this development of the progress from the simplest determination of the commodity to its concrete forms impinges on the mode in which Marx undertakes the analysis. The latter no longer progresses from the immediate concrete to arrive at 'abstract or simple categories', as Marx still put it at the beginning of the *Grundrisse*. Instead, the analysis moves with the aim of discovering the simplest specific form of the immediate concrete. Hence: '[N]either "value" nor "exchange-value" are my subjects, but the commodity . . . [T]he simplest economic concrement'.⁸¹

Thus, the analysis does not merely move from the concrete to the abstract. More precisely, it penetrates the concrete itself until discovering the form constituting the simplest manifestation of its specific necessity. On the other hand, neither does the analysis progress by searching for the generic necessity in the apparent universal repetition of its manifestations. Hence, it can only reach the simplest concrete in its condition as a singular existence: '[T]he reader who wishes to follow me at all, must make up his mind to pass from the special [*einzelnen*] to the general [*allgemeinen*]'.⁸²

Let us now summarise the issue by returning to the way in which Nicolaus reduces the development of the dialectical method from the *Grundrisse* to *Capital* to a difference between the mode of research, in the former, and the mode of presentation, in the latter. This reading overlooks the fact that the research is in full swing, and actually in its most powerful stage (hence able to overcome all appearance), in the development of the form of value unfolded in *Capital*. Nicolaus also argues, along with Reichelt, that the research-method is clearly visible in the *Grundrisse* but deliberately concealed in *Capital*. They thus overlook the fact that Marx resorts to a mode of exposition in *Capital* that at each step reveals the unity of the two moments inherent in dialectical research. Broadly put, he starts each presentational 'node' by facing what appears to be an immediate concrete in order to proceed to analyse its necessity. Once the latter is uncovered, he follows it through in its self-realisation until the initial concrete is reproduced but now as a *known* concrete. This does not mean that no change has occurred in the dialectical presentation between the *Grundrisse* and *Capital*. Specifically, Marx removed from the exposition the explicit reflections on the direction that the development of the content in its necessary form should take. However, those reflections are, strictly speaking, external to the ideal reproduction of the

81. Marx 2002, pp. 230, 242.

82. Marx 1911, p. 9. In a more precise translation, *einzelnen* corresponds to the 'individual' and *allgemeinen* to the 'universal'. See Inwood 1992, p. 302.

content's self-development. In light of his interpretation, Nicolaus recommends the following reading strategy in order to 'understand' Marx's method of research: firstly, the contemporary reader should approach the *Grundrisse*, then (in line with Lenin's aphorism) Hegel's *Logic*, and finally *Capital*.⁸³ The approach put forward in this chapter leads to very different implications. Thanks to the fact that Marx had to produce the *original knowledge* that progressed from the *Logic* to the *Grundrisse* and from the latter to *Capital*, we can empower our process of *recognition* by firstly appropriating the 'anatomy' (the method) of the most developed subject, namely, *Capital*. This more developed form of the critique of political economy contains the key to the understanding of the method of the *Grundrisse*, and the more primitive one of the *Logic*.

Now, however inverted the sequence in search of the dialectical method may be presented, there will always be an abyss between the approaches just mentioned and Althusser's grotesque '*imperative recommendation*' (emphasis in the original) that *Capital's* entire first section be skipped in order to avoid the 'highly damaging' 'Hegelian influence' which would prevent an understanding of 'what must be understood'.⁸⁴

Once again concerning the point of departure . . . of working-class consciousness as revolutionary subject

We have discussed the substantive difference of form and content between the *reproduction* and the *representation* of the concrete by means of thought as methods of rational cognition. We have also seen how the *Grundrisse* are a step in the original development of the former, which only reaches the plenitude of its development in *Capital*.

However, still pending is the question of the change in the point of departure from the *Grundrisse* to the *Contribution*. We stated at the outset that the change should be traced in the very text of the former. We also claimed that in those earlier manuscripts the discovery of the determinations of the commodity as the simplest form of the general social relation in the capitalist mode of production was developed through an essentially analytical process. However, we should now add that, as Marx moves forward in the unfolding of the concrete forms taken by this general social relation, the unity of the text of the *Grundrisse* becomes increasingly determined by the stage of dialectical reproduction. This fact acquires its clearest expression at a crucial juncture much later in the text. Specifically, after unfolding the determinations of the capitalist mode of

83. Nicolaus 1993, p. 60.

84. Althusser 1971, p. 93.

production in its concrete unity, the dialectical reproduction reaches the point at which it fully uncovers capital's necessity to supersede itself in the conscious organisation of social life. The analysis is, at this point, incapable of uncovering the necessity at stake, as all that matters in the existing concrete is its immanent potentiality to affirm through its own negation as the general social relation. In the face of this, the analysis is unable to go beyond the presentation of that potentiality as deprived of its own concrete content, conceiving it under the form of a 'recipe . . . for the cook-shops of the future'.⁸⁵ In reproducing in thought the determinations of the capitalist mode of production in their unity as constituting the existing concrete, Marx makes it evident that the historical necessity of this mode of production stems from the specific form in which it radically transforms the materiality of the worker's productive activity through the socialisation of private labour:

The exchange of living labour for objectified labour – i.e. the positing of social labour in the form of the contradiction of capital and wage labour – is the ultimate development of the *value-relation* and of production resting on value . . . No longer does the worker insert a modified natural thing [*Naturgegenstand*] as middle link between the object [*Objekt*] and himself; rather, he inserts the process of nature, transformed into an industrial process, as a means between himself and inorganic nature, mastering it. He steps to the side of the production process instead of being its chief actor. In this transformation, it is neither the direct human labour he himself performs, nor the time during which he works, but rather the appropriation of his own general productive power, his understanding of nature and his mastery over it by virtue of his presence as a social body – it is, in a word, the development of the social individual which appears as the great foundation-stone of production and of wealth. . . . Capital itself is the moving contradiction . . . On the one side, then, it calls to life all the powers of science and of nature, as of social combination and of social intercourse, in order to make the creation of wealth independent (relatively) of the labour time employed on it. On the other side, it wants to use labour time as the measuring rod for the giant social forces thereby created, and to confine them within the limits required to maintain the already created value as value. Forces of production and social relations – two different sides of the development of the social individual – appear to capital as mere means, and are merely means for it to produce on its limited foundation. In fact, however, they are the material conditions to blow this foundation sky-high.⁸⁶

85. Marx 1965, p. 17.

86. Marx 1993, pp. 704–6.

Almost immediately after thus discovering the concrete historical determination of the capitalist mode of production, Marx confronts again the commodity and its value-determinations in the *Grundrisse*. Yet, this is no longer something abstractly analytic. Following the simple note ‘this section to be brought forward’,⁸⁷ Marx begins to unfold the determinations of the commodity as the simplest concrete form of the general social relation in this mode of production. However, having barely begun this development, those earlier manuscripts break off. The body of their text has given way to what would be the 1859 *Contribution*. Nevertheless, it is the 1857–8 version of Marx’s critique of political economy that has brought to light that the development of the reproduction of the concrete by means of thought (rather than the analysis) is what determines the necessity of the point of departure.

Now, how has the starting point concretely changed? At the outset of the *Grundrisse*, Marx posited that the point of departure was ‘individuals producing in society’ while in the *Contribution* and *Capital*, this becomes ‘the commodity’. Let us take the ‘individuals producing in society’. The first step that these individuals need to make to undertake their social production consists in organising it: that is, each of them must be assigned with a useful concrete labour to be performed for others. The mode in which they unfold this organisation is but the exercise of their general social relation at the point at which each cycle of society’s life-process is set into motion. Thus, the point of departure in the study of the ‘individuals producing in society’ is that of the simplest specific form presented by their general social relationship in each historical period. What is this form in the capitalist mode of production? It is not a direct social relation between persons. Conversely, it is an indirect relation that they establish through the exchange of the products of their privately and independently-undertaken social labour as materialisations of equivalent quantities of abstract labour. In brief, that social relation is the commodity. The *Contribution* and *Capital* both begin from exactly the same point that Marx had been propounding as the necessary one until then. However, his progress in the reproduction of the concrete by means of thought allows him to recognise that this thing, the commodity, is the simplest concrete form bearing the capacity to organise social labour – and hence social consumption – in a society where individuals are free of personal dependence. The full conscious control over one’s own individual labour corresponding to its private and independent realisation entails, at the same time, the complete lack of conscious control over its social character. Hence the subordination of the human individual to the social powers objectified in the product of his or her own labour.

87. Marx 1993, p. 881.

Let us look once again at the question of method. Logical representation is not the *natural* form of scientific method. As all forms of consciousness, and hence of the human capacity to organise action, scientific method is itself a historically-determined social form. Against this form of consciousness stands the reproduction of the concrete by means of thought, also as the bearer of a historically-determined social relation. Marx developed the historical necessity of this method, ‘in its essence critical and revolutionary’, as the necessary form of consciousness in the supersession of the capitalist mode of production. Yet it subsequently fell into oblivion, nearly to the point of being forgotten altogether, or rather erased, even by Marxist scholars themselves. The aim of this text is to put the question back at the heart of the discussion of the form of working-class consciousness with the power to organise capital-transcending practice.

From the Materiality of Labor to the Political Strength of the Working Class

Juan Iñigo-Carrera

Centro para la Investigación como Crítica Práctica – CICP

juanbinigo@gmail.com

At the beginning of the *Grundrisse* Marx discovers commodities as the objectified form of our general social relation. He immediately points out that the historical role of the capitalist mode of production is to engender, “for the first time”, through “personal independence founded on objective dependence”, “a system of general social metabolism, of universal relations, of universal needs and universal capacities”, as a condition for a following stage of “free individuality based on the universal development of individuals and on their subordination of their communal, social productivity as their social wealth”.

By the beginning of the 1970s it seemed that the accumulation of capital was advancing in this direction, through the development of public education, public health, the centralization of capital as state property, the processes of national and social liberation, etc. All of these developments took form through the strength of the political and union organizations of the working class. It even seemed that superseding capitalism was just a matter of developing a revolutionary consciousness able to take power. Ten years later, all of these processes were pointing backwards: privatizations, deep differentiations in the selling of labor power, multiplied unemployment, the advance of finance over production, etc. All of these changes took shape through the retreat of the unions and the political parties of the working class, who visibly lost their power, or even worst, they just became neoliberals. So much so, that claiming that the point is to change the world without taking power could be seen as the non plus ultra of a revolutionary consciousness.

Such a reversion in the basis of the accumulation of capital is frequently explained as a matter of the capitalist class’ political will to discipline the working class, or even as a matter of its revenge upon the working class. But we must recall that it is not consciousness which determines social being, but concrete social being which determines, i.e. takes concrete shape in, consciousness. Therefore, from a materialist point of view, we must search for the roots of these changes in political power starting from the very materiality of the process of social production and its consequential modes of organization.

Presentation at the 7th Annual Conference in Political Economy: International Trends and National Differences, International Initiative for Promoting Political Economy, ISEG / 7-9 2016, Lisbon, Portugal.

Up to the 70s, the production of relative surplus value through the system of machinery hold at its core two processes of manual labor: the calibration of machinery and the assembly line. To this technical basis corresponded the production of relatively undifferentiated workers. Consequently, individual capitals profited from the reproduction of labor power in large scale through the direct action of the state.

But the production of relative surplus value through the system of machinery has the technical necessity to remove all manual labor from the flow of production. And by the early 80s computing matured to the point of allowing the substitution of manual skills through the automation of machinery and robotized assembly line. Consequently, capital's needs for labor power radically change: now, on the one hand, it needs workers bearing a constantly developed productive subjectivity related with intellectual labor and, on the other hand, workers with practically no skills to operate as appendix of the machinery and in manual labor. The new international division of labor is the main form in which the process of capital accumulation in its global unity developed this differentiation. In brief, the classical countries that produced the generality of the commodities they consumed left place to some countries specialized in complex labor, and other countries specialized in simple unskilled labor. From the old international division of labor only rest the countries specialized in the production of raw materials. Beyond these three broad types of countries, remain those that mainly became reservoirs of laboring surplus population. In the first type of countries, immigration became the source of cheap labor power for the processes of production that require it. Now, the access to education, health, housing, etc. ceased to be based on citizenship, to become an attribute of individual wages. Meanwhile the centralization of capital flowed beyond the range of national states.

Consequently, the development of the capitalist mode of production is currently taking a concrete form opposite to its general historical determination as the condition for the production of universal individuals bearing universal capacities and universal needs. This is a critical matter for the political organization of the working class. The central question is how to develop the mutual recognition as historical subjects between the workers that perform the more complex labor and those who perform unskilled labor, and, moreover, between both types of active workers and the increasing mass of consolidated relative laboring surplus population. This very same question crosses the national boundaries. Yet, these questions are far from being at the core of the political organizations of the working class today. On the contrary, we are witnessing a trend towards an increased antagonism between the members of the working class determined by capital in those three different ways, mediated at the same time through their international competition. The surge of nationalism, xenophobia, racism, warmongering, religion, are expressions in this sense.

In turn, the process of general overproduction currently suffered by the global accumulation of capital (once and again extended through the expansion of insolvent credit and the issuing of money to the point of creating the appearance that finance has become the true source of capital accumulation) deepens the antagonism.

Moreover, the working class faces a further technical transformation that will deepen the differentiation in the conditions for its reproduction. The production of relative surplus value points now to a greater elimination of manual workers and of workers as

appendixes of the machinery at the shop-floor, however cheap their labor power could be.

All this evidences confront us with a question that roots the revolutionary organization of the working class. A widespread point of view aims to base this organization on the conception of freedom as a natural condition inherent to human beings, which suffers from mutilation under capitalism. But let us return to our starting point: let us face the existence for the first time in history of a system of “personal independence founded on objective dependence” whose historical necessity is to engender the concrete material conditions for “free individuality based on the universal development of individuals”. Thus faced, it becomes evident that human freedom is not a natural condition but a historical form of social relation specifically inherent to this mode of production. It becomes evident that, as historical concrete human subjects, that is to say, as members of the working class, our freedom from personal dependency is the form taken by our submission to our objectified general social relation, to capital. As Marx puts it in *Capital*: “From a social point of view ... the working class, even when not directly engaged in the labor process, is just as much an appendage of capital as the ordinary instruments of labor. Even its individual consumption is ... a mere factor in the process of production”. But, at the same time, it becomes evident that capital is an objectified social relation that bears in itself the necessity to produce its own supersession into a society of free individuality based on the universal development of individuals. This contradiction is what determines the working class as a revolutionary subject. The political freedom of the working class to supersede the capitalist mode of production is the necessary concrete historical form taken by the development of its alienation in capital. In other words, from this contradiction arise the historical powers of the working class. But, at the same time, it is this same contradiction which takes concrete form in the antagonistic relations within the working class itself. In order to advance determining itself as a consciousness that points towards the “universal development of individuals”, the political organization of the working class as a revolutionary subject needs to start by recognizing itself in its contradictory determination of being a free action that carries in itself the movement of alienation. The recognition of this concrete determination of the working class’ subjectivity, is a necessary first step in the political organization of the working class able to engender its universal solidarity.

In brief: the political organization of the working class as a revolutionary subject is not a matter of the affirmation of abstract naturalized freedom. It is a matter of a freedom that affirms itself through the negation of its own alienated content and, therefore, a matter of the negation of the negation of freedom as it is historically determined as a specific social relation of the capitalist mode of production.

Being a Marxist or objectively recognizing one's own political subjectivity through the dialectical method discovered by Marx¹

Juan Iñigo Carrera

CICP

1) On Marxism's interpretive character, or on the objectively unsolvable dichotomy between 'true' and 'false' Marxism.

'Where is the party in opposition that has not been decried as communistic by its opponents in power? Where is the opposition that has not hurled back the branding reproach of communism, against the more advanced opposition parties, as well as against its reactionary adversaries?'.²

There is no reason to think that, on writing the passage above, it would have crossed its authors' minds that, in the course of history, the term 'Marxist' would replace that of 'Communist' in this mutually incriminatory usage between governing and opposition parties. Moreover, such an indictment gets an immediate response from the incriminated party; 'Marxist!', says one; 'No, Keynesian!' replies the other. 'Marxist!' reciprocates the accused party as soon as it emerges that a major leader of its opponent has a Communist skeleton hidden in the cupboard. 'If you are not a Socialist at twenty, you have no heart, but if you remain one at thirty, you have no head!' substantiates the other, paraphrasing Clemenceau. Nonetheless, however amusing this tragicomic exchange of recriminations may be, in which a sort of 'Who, me?' attitude prevails, it is a seemingly opposite discussion that is of real interest from the point of view of the political action of the working class. In this discussion each one proclaims him/herself Marxist at the same time that, usually, accuses as "false Marxists" those who also proclaim themselves Marxists but disagree on the interpretation of the point at stake. The question becomes inevitable: What do those who consider themselves Marxists understand by being Marxist?

It is usual practice in this milieu to confidently place the phrase 'According to Marx's theory...' before any personal judgement, and to virulently expell any dissenter from 'the realm of Marxism'. Even Pio IX would have envied such expressions of dogmatic infallibility. However, unlike his case, there has never been among Marxists any conciliar agreement that would anointed one Pope. The world of Marxists is not made in image and likeness of the world of commodities, in which the latter have sellected one as the expression of their value-quality. It is, so to speak, a world of plain and simple commodities. Therefore, the dogmatic authority of one Marxist can be called into question by all others. At least outside party and academic hierarchies.

In the absence of a universally accepted authority who could dictate what constitutes 'true' Marxism, no objective resolution can be found to the debate on who can legitimately be defined as Marxist, which leads to the permanent renewal of the argument. Recently, Professor Rolando Astarita has proposed what he considers an unsurpassable

¹ A previous version was presented at the VII Jornadas de Economía Crítica in 2014

² Marx, Karl and Engels, Friedrich [1848], 'Manifesto of the Communist Party', *Marx/Engels Selected Works*, Vol. 1, Progress Publishers, Moscow, 1969, p. 98.

criterion to settle the issue of classification.³ According to him, it is a criterion based on ‘the dialectical idea of a leap from quantity into quality’. Thus, he singles out as mere ‘quantitative variations’ ‘a range of nuances and disagreements with aspects of the theory, however maintaining the core beliefs that form a theoretical and political body with definite characteristics’. Beyond these quantitative variations, ‘there are challenges which involve a qualitative break’. The author presents, as an example, that of the theory of exploitation, which, ‘being (...) one of the defining features of Marxism, the proposition that the capitalist mode of production is not exploitative would not fit, by any means, within the Marxist current of thought.’

In line with this criterion, it seems plain to exclude from the Marxist realm someone who states that ‘[a]ll legitimate income, from work or not, should be protected’,⁴ which in other words means to consider income obtained from exploiting others’ work as legitimate. Yet, this statement is a fundamental principle of ‘Marxism-Leninism, Mao Zedong Thought and Deng Xiaoping Theory’ for those who rule their practice by ‘the important thought of Three Represents’.⁵ And precisely given that the ‘leap from quantity into quality’ has been invoked, a question arises: Would it make sense to exclude from Marxism those who probably comprise the largest number of people that define themselves as Marxists worldwide?

Let us consider another case. Following the cited argument, the conception that ‘capitalism suffers from unnecessary alienation and exploitation’, whose necessity of being transcended ‘flows from a historical world view, based on the evolution of forms of property’,⁶ apparently does not infringe the boundaries of a ‘quantitative variation’. Yet if the limit to the ‘qualitative break’ is premised on the endorsement of Marx’s theory of value, then Roemer’s ‘analytical Marxism’ should clearly remain off-limits, insofar as it rejects it for the analysis of exchange relations. Instead, he states that for such analysis ‘the tools *par excellence* are rational choice models: general equilibrium theory, game theory, and the arsenal of modelling techniques developed by neo-classical economics’.⁷ However, no Marxist within the range of quantitative adequacy has yet succeeded in precluding ‘analytical Marxism’ from being considered a variety of Marxism.

Likewise, a stricter stance could be adopted towards the ‘every man his own Marxist’ view,⁸ considering that a ‘simultaneous dual-system interpretation’ in the derivation of production prices from values rejects Marx’s theory of exploitation, as opposed to a ‘temporal single-system interpretation’.⁹ And how to establish if the *Neue Marx-Lektüre*’s critique of the tendency of the rate of profit to fall is just a ‘quantitative variation’ or exceeds the limits of a ‘qualitative break’ from Marxism.¹⁰ Or if the new category of a ‘Marxism without Marx’ is at all plausible within it.¹¹ Or if only those who

³ Astarita, Rolando, ‘Kicillof ¿el ministro marxista?’ [Kicillof, the Marxist Minister?], 2013, in <http://rolandoastarita.wordpress.com/2013/11/20/kicillof-el-ministro-marxista/>.

⁴ Jiang Zemin, ‘Full Text of Jiang Zemin’s Report at 16th Party Congress’, Beijing, 2002, in <http://www.china.org.cn/english/features/49007.htm>.

⁵ Jiang Zemin, op. cit.

⁶ Roemer, John, ‘“Rational choice” Marxism: some issues of method and substance’, in John Roemer, (editor), *Analytical Marxism*, Cambridge, Cambridge University Press - Editions de la Maison des Sciences de l’Homme, 1986, pp. 194, 201.

⁷ Roemer, John, op. cit., p. 192.

⁸ Kliman, Andrew, *Reclaiming Marx’s ‘Capital’*, Lanham, Lexington Books, 2007, p. 8.

⁹ Kliman, Andrew, op. cit., pp. 5, 189.

¹⁰ Heinrich, Michael, ‘Crisis Theory, the Law of the Tendency of the Profit Rate to Fall, and Marx’s Studies in the 1870s’, *Monthly Review*, Vol. 64, N° 11, April 2013.

¹¹ Freeman, Alan, ‘Marxism Without Marx: A note towards a critique,’ *Capital and Class*, Vol. 34, N° 1, 2010, pp. 84-97.

propose to 'return to Marx' in order to fight 'religious Marxism'¹² are worthy of holding the name -which would imply that to be a real Marxist, one should first have gone somewhere else from where to return. Or if, after all, even the modern emulators of Proudhon could feel welcome by the 'we are all Marxists now'.¹³ In sum, how to establish on which side of the dividing line drawn for the 'leap from quantity into quality' an 'erratic Marxist',¹⁴ a 'Marxist for the long run and Keynesian for the here and now',¹⁵ or the statement itself that 'to take 'liberties' with the signature of Marx is in this sense merely to enter into the freedom of Marxism',¹⁶ should be placed.

In turn, Marx himself has been declared unworthy of being reclaimed as a Marxist, as he is said to have professed 'the ideological, non-scientific character of the concept of alienated labour' -and thus of the concept of 'alienation' that supports it',¹⁷ which leaves a 'flagrant and extremely harmful [...] influence: 'the theory of *fetishism*'.¹⁸ He has also been accused by the Marxist Rubin of infringing upon the interpretation of his own theory, for having 'a few sentences' in which he brings out the materiality of abstract labor common to all forms of social organization, and which is socially represented as the value of commodities only when it is performed in a private and independent manner, something that 'cannot in any way be made consistent with the entirety of Marx's theory of value'.¹⁹ Nevertheless there are also those who furiously blame Marx himself for the generosity thanks to which anyone can be considered a Marxist: 'We are all Marxists in a Marxian world'.²⁰

The criterion presumably based on the 'dialectical idea of a "leap from quantity into quality"' thus proves helpless for establishing the contours of Marxism, other than by lapsing into an arbitrary subjective rule based on the maxim: 'I, true Marxist; you, false Marxist'. And this inability to avoid arbitrary criteria should come as no surprise. In effect, the difficulty involved in any sort of classification resides in explaining the nature of the qualitative difference that manifests itself in a quantitative difference, instead of proceeding blindly in reverse, that is, by starting from the observation of an alleged quantitative difference in order to derive from it the existence of a qualitative difference whose content remains unexplained. This inverted approach, which proceeds by leaving the quality undefined, cannot surpass the barrier of *smallness* in the difference.²¹ In this case, this means the barrier of the sectarian debate on who is and who is not included.

¹² Harnecker, Marta, 'Introducción', in Louis Althusser, *La revolución teórica de Marx*, México, Siglo XXI, 1967, p. 3.

¹³ Bax, Ernest Belfort, 'The Zurich Resolutions', *Justice*, 13th May 1893, p. 6.

¹⁴ Varoufakis, Yanis, 'Confessions of an Erratic Marxist in the Midst of a Repugnant European Crisis', in <http://yanisvaroufakis.eu/2013/12/10/confessions-of-an-erratic-marxist-in-the-midst-of-a-repugnant-european-crisis/>, 2013.

¹⁵ Lapavistas, Costas, 'Interview by S. Budgen', *Jacobin*, in <https://www.jacobinmag.com/2015/03/lapavistas-varoufakis-grexit-syriza/>, 12/3/2015.

¹⁶ Anderson, Perry, *Passages from Antiquity to Feudalism*, London, Verso, 1996, p. 9.

¹⁷ Althusser, Louis, 'On Theoretical Work: Difficulties and Resources', in Louis Althusser, *Philosophy and the Spontaneous Philosophy of the Scientists & Other Essays*, Verso, London - New York, 1972, 1990, p. 62.

¹⁸ Althusser, Louis, 'Preface to "Capital" Volume One', in *Lenin and Philosophy and other essays*, New York, Monthly Review Press, 2001, p. 62.

¹⁹ Rubin, Isaak [1928], *Essays on Marx's theory of value*, Montréal-New York, Black Rose Books, 1990, pp. 134-135.

²⁰ Felix, David, *Marx as Politician*, Carbondale & Edwardsville, Southern Illinois University Press, 1983, p. 218.

²¹ Hegel, Georg Wilhelm Friedrich [1812], *The Science of Logic*, Cambridge, Cambridge University Press, 2010, p. 435.

Given that the starting point of any classification is the recognition of the qualitative attribute that determines its object, the problem faced is the qualitative definition of what is being Marxist. And the distinctive qualitative attribute that all Marxists share is that they all self-identify as individuals who seek to interpret Marx's writings, and more generally his action, in the positive manner that each of them conceives as adequate. Yet it is not an interpretation which is sought out of scholastic interest. Instead, it is aimed at being applied to the real world in order to interpret its workings in a way that allows the transformation of the existing social order into one which is superior from the point of view of the realisation of the human species being.²² To sum up, *the qualitative attribute that defines Marxists is the self-recognition as political subjects intending to interpret the world in order to change it, by interpreting Marx in the positive way they conceive as appropriate*. And this qualitative attribute remains unchanged, regardless of the claim to be doing a *Marxian* interpretation as opposed to any *Marxist* one, whereby 'Marxian' is seen as 'Marx's own'.²³

The question about the qualitative nature of Marxism leads us to the question of what is the qualitative nature of 'to interpret'. All interpretation is an action in which the subject defines which of the attributes that his/her determinate subjectivity makes him/her discover in the object, are relevant in the determination of the latter's very objectivity and, consequently, of its potentialities. On this basis, the subject thereby confronts the object as if it embodied as its actual necessity that which had been ideally introduced in it by his/her own subjectivity. In other words, the object becomes represented under the appearance of possessing that subjectively-constructed necessity. Whether the interpretation is of a music score, religious texts or -what is our concern- the scientific writings of Marx, such is the subjectively determined essence of interpretation.

Given the interpretive character of Marxism, i.e., given that Marxists define themselves as interpreters of Marx, the fact that they interpret Marx in various ways determines them as different species within the same genus. The plausibility of 'each one their own Marxist' is inherent in the very interpretive essence of Marxism. Hence, it also follows the impossibility of finding an objective criterion capable of drawing the line between 'true' and 'false' Marxists. *The attempt to establish such objective criterion is a contradiction in terms in the face of the interpretive essence of Marxism*. This finding obviously cannot by itself put an end to the mutual accusations of 'false Marxist'. On the contrary, its power resides in explaining why such recriminations have formed, and will continue to form, part of the Marxist subjectivity.

2) Knowledge is the organizational instance of action, or to know is to organize one's own action

Well-known are Engels's citations of Marx's remarks about himself: '...Marx once said to Lafargue: "*Ce qu'il y a de certain c'est que moi, je ne suis pas Marxiste*"'.²⁴ In addition, 'As Marx said of the French Marxists in the late seventies: "*Tout ce que je*

²² Gattungswesen, strictly, but unusual in English, generic being.

²³ 'Marxist theory of value necessarily blocked the understanding of the *Marxian* theory of value'. The interpretative contrast between Marxist and Marxian is widely spread, to the point of thus citing Hans-Georg Backhaus's statement from his *Dialektik der Wertform*, Freiburg, Ca ira Verlag, 1997, p. 69, in the Spanish translation of the text from Elbe, Ingo, *Marx im Westen*, Berlin, Akademie Verlag, 2010, http://enelhorizontedelacrisis.files.wordpress.com/2013/01/ingo-elbe_entre-marx-el-marxismo-y-los-marxismos.pdf. Yet the original uses the term *Marxschen*, which strictly means, 'by Marx'.

²⁴ Engels, Frederick, 'Engels to E. Bernstein, 2/3 November 1882', *Marx-Engels Collected Works*, Volume 46, Great Britain, Lawrence & Wishart, 1992, p. 356.

sais, c'est que je ne suis pas Marxist”²⁵ And directly in German, ‘Marx said: “All I know is that I'm not a Marxist”’.²⁶

Were the point to interpret Marx, it could be concluded that his own self-exclusion from Marxism responds only to a formal impossibility: Marxism can interpret Marx, but it would be meaningless to say Marx interprets himself. Alternatively, it could be understood as an expression of Marx’s irony.²⁷ Or a ‘pained lament’ in rejection of Lafargue and his followers’ doctrinary conceptions.²⁸ Or else, as a means of ‘getting rid of’ an ‘aberrant mythology’ about the “creators” of a set of ideological conceptions artificially grouped under the name of “Marxism”, which carries the stigma of ‘obscurantism from its origin’.²⁹

The speculation on how to interpret Marx’s reasons to explicitly reject being a Marxist can go on endlessly. But what does the interpretative character of Marxism really mean from the point of view of our own condition as political subjects willing to take action to change the current social organization? At once, another passage from Marx that focuses on the the nature of interpretation springs to mind: ‘The philosophers have only *interpreted* the world in various ways. The point is to *change* it’.³⁰

There is a general agreement among Marxists as to the interpretation of this statement: philosophers are not being criticized for interpreting the world, but for thereafter not acting upon it. In other words, according to this view the point is to interpret the world in order to act on its change on the basis of that interpretation. Nevertheless, let us examine again the nature of an interpretation. Whatever the particular object under consideration, to interpret something is a mode of knowing the potentiality that such object embodies in order for the subject to appropriate it. Interpretation is thus a form of knowledge. Consequently, in order to resolve the question of the necessity of interpretation as such, we should first inquire into the necessity of knowledge in general.

In any metabolic process, the subject needs to expend its body in order to appropriate objects from its environment, thereby reproducing itself as a subject. The production of knowledge is the moment of this metabolic process in which the subject consumes its body in order to appropriate its own potentiality faced with that offered by the object from its environment. That is, knowledge is the moment of the subject’s self-reproduction process by which it virtually appropriates its condition as such subject in order to regulate the full expenditure of its body that is needed to effectively act upon, and thereby actually appropriate, the object. Hence, knowledge is the process by which the subject organises its own action of effectively appropriating the object in order to satisfy its own purpose. In this condition as a moment of the subject’s bodily expenditure in order to organise its action, knowledge is an inner instance of this action itself, the action in its own unfolding. Therefore, the point is not that the philosophers stopped short of acting once they have interpreted the world. The point lies in the fact that the very form

²⁵ Engels, Frederick, ‘Engels to C. Schmidt, 5 August 1890’, *Marx-Engels Collected Works*, Volume 49, Great Britain, Lawrence & Wishart, 2001, p. 7.

²⁶ Engels Frederick, ‘Engels to P. Lafargue, 27 August 1890’, *Marx-Engels Collected Works*, Volume 49, Great Britain, Lawrence & Wishart, 2001, p. 22.

²⁷ Althusser, Louis, ‘Theory, Theoretical Practice and Theoretical Formation: Ideology and Ideological Struggle’, in Louis Althusser, *Philosophy and the Spontaneous Philosophy of the Scientists & Other Essays*, op. cit., p. 17.

²⁸ Vincent, K. Steven, *Between Marxism and Anarchism: Benoît Malon and French Reformist Socialism*, Berkley, University of California Press, 1992, p. 74.

²⁹ Rubel, Maximilien, ‘La légende de Marx ou Engels fondateur’, in M. Rubel, *Marx critique du marxisme*, Paris, Payot, 1974, pp. 19-21 (my translation).

³⁰ Marx, Karl [1845], 11th Thesis on Feuerbach, ‘Thesen über Feuerbach’, *Marx-Engels Werke*, Band 3, Berlin, Dietz Verlag, 1978, p. 7 (my translation).

of their knowledge of the world, the fact that they interpret it, has been the necessary form of ruling their action in a manner which makes it impotent to change the world. The question we are facing here does not refer to the content of the interpretation but to the very form of the process of knowledge that results in an interpretation. In other words, it refers to the method of this knowledge.

Conscious knowledge, i.e. a kind of knowledge which knows itself as such -or more simply, *consciousness*- is the form of knowledge generically inherent to human beings. Consciousness is the way each human being carries in his/her person the capacity to rule his/her own individual action as an organ of the process of social metabolism.

Scientific consciousness, or scientific knowledge, is a specifically determined form in which the human subject rules his/her action upon the object. Under this specific modality, the subject aims to virtually appropriate his/her own potentiality faced with that of the object without allowing, in this process, his/her own subjectivity to posit -whether ideally or actually- determinations in the object which are alien to it. Accordingly, it is a form of knowledge through which the subject aims to ideally apprehend the determinations of his/her own subjectivity, as if the latter were an external object itself. Its method, i.e. its form, thus has a twofold objective character. Hence its power to transform reality.

A question arises here as to why, if scientific knowledge is in itself but an inner moment of the self-organisation of human action in the manner most powerful for changing the world, is it conceived in contemporary society as sundered from action: on one hand, there is theory; on the other, practice. At most, the positing of that constitutive separation between theory and practice is then followed by the claim that both should be placed in a correspondingly external relationship whose concrete form can never be clearly defined. In fact, this divorce between scientific knowledge and action underlies the Marxist interpretation which submits that the problem with philosophers is that they know but do not act thereafter.

3) The scientific method of logical representation as a historically specific social relationship, or free scientific consciousness as a form of alienated consciousness in capital.³¹

In the capitalist mode of production, consciousness is determined in a historically specific way. The general social relation, hence one's own social being, confronts individuals as an objectified existence external to their person. This objectified social relation, which is the product of privately-performed social labour, carries the power to set into motion social labour itself with no immediate goal other than its self-multiplication. Such is capital's generic determination. Thus, human subjects are free from relations of personal dependence in the organization of their lives because they are subordinated to the social powers objectified in capital. To put it briefly, free consciousness is the form taken by consciousness alienated in capital.³²

Capital's need for scientific knowledge embodies a contradiction. In order to produce relative surplus value through the system of machinery, capital needs to subordinate production to science. However, inasmuch as scientific knowledge is simply

³¹ Henceforward, this text is based on the chapter named 'Dialectic method. Critique of scientific theory', by Iñigo Carrera, Juan, *El capital: razón histórica, sujeto revolucionario y conciencia* [*Capital: Historical Reason, Revolutionary Subject and Consciousness*], Buenos Aires, Imago Mundi, 2008.

³² See also Iñigo Carrera, Juan, *Conocer el capital hoy. Usar críticamente "El capital"*, [Knowing capital today. Using 'Capital' critically], Buenos Aires, Imago Mundi, 2007, pp. 55-62.

a specific form of the production of surplus value, science has to reproduce the alienation of consciousness in capital. While it must be an objective consciousness, it must also confront itself in a non-objective way, falling prey to the appearance of being an abstractly free consciousness. Therefore, it is a science that needs to present the foundations of its objectivity as originating from outside itself, more specifically, as founded on a philosophical representation that is conceived as emerging from a pure abstractly free subjectivity.

Logical representation is this contradiction resolved, i.e. developed. It represents real connections by taking the forms in which the determinant necessity appears as already realized, as if they did not simultaneously embody a necessity of their own to be realized. On this basis, real existences are defined as incapable of self-movement. Thus, nothing in the real world is conceived as being able to bear within itself the need -i.e. to be the subject- of its own transcendence. It seems that all movement must be bestowed upon them externally. Thus posited as incapable of self-movement, all real forms are represented in thought as if they were abstract immediate affirmations. In this way, free consciousness can only be free consciousness. Likewise, alienated consciousness can be nothing but itself. But there is no way in which free consciousness could be a concrete form of alienated consciousness. At most, according to so-called dialectical representation, both can be put together contradicting each other externally, albeit each one of them as its correspondingly abstract immediate affirmation.

Once real existences are devoid of their necessity, i.e. turned into concepts, the representation of their motion must impose upon them a constructive necessity that relates them externally in thought, so as to build a conceptual system. However, as a means to scientific knowledge, this constructive necessity must represent the outward manifestation of the objective relationships among its objects. The systematization of the said constructive necessity is the logic of representation. The appearance as immediate abstract affirmations effectively corresponds to the expression of the real quantitative determination considered in itself. On this basis, the logical construction starts conceiving of concrete forms as devoid of a necessity to be realized, thereafter representing that necessity through the relations of measure observed among them. Although the very quality of the necessity at stake remains unknown, it is still possible to act upon the relations of measure among such forms, thereby modifying quantities until they correspond to a different qualitative form. Here lies the power of logical representation to transform the existing material conditions as a historical specific form of developing the productive forces of society ruled by the production of relative surplus value. It can measure everything objectively, without inquiring on the objective necessity of anything. In particular, without inquiring on the objective necessity of the knowing subject's own subjectivity.

Nonetheless, the very form of this logical representation does not just hinder the possibility of discovering that the progress in freedom implied in the capacity for action that this mode of knowledge confers, is the necessary form in which alienation self-develops. Its power in this respect takes a concrete form which is of particular interest here. Logical representation starts by conceiving of real concrete forms as abstract immediate affirmations. Therefore, the real necessity that determines them can only be grasped by representation through the greater or smaller degree of recurrence in which such real concrete forms appeared at the beginning. Hence, logical representation itself reaches a logically inevitable conclusion: by virtue of its own constructive character, which is necessarily external to the real necessity which it attempts to appropriate by means of thought, logical representation makes it impossible to attain any certainty of an objective knowledge before acting. Consequently, the conclusion is drawn that logical

representations, hence scientific theories, are indeed different ways of interpreting reality. They are but ideological constructions. And this eventually culminates in the view according to which the claim that all scientific knowledge is ideologically determined by its very nature, is seen as the most genuine expression of a critical consciousness, historically able to overcome its current form.

Such conclusion, stemming from the very form of logical representation whatever its content may be, is not an abstract epistemological question but concretely concerns working class political action. It entails the naturalization of the capitalist mode of production and, thus, a way of depriving the working class of its condition as revolutionary subject. Any interpretation of a real determination is, in itself, the negation of a knowledge that has transcended all appearance. The interpretation of the determination of one's social being is the negation of its full objective knowledge. Yet the full objective knowledge of the human being's determination as an individual organ of the social life process, born by the consciousness of each member of society, is the necessary form taken by the general social relation in a society founded on the general conscious organization of that process. Thus, the claim that objective knowledge is bound to remain an interpretation renders the general conscious organization of social life impossible. In other words, the claim that logical representation is the natural, therefore insurmountable form of scientific knowledge necessarily implies that the supersession of the capitalist mode of production by socialism/communism is impossible. So it is. By its very form - i.e., its method- logical representation is a form of objective consciousness proclaiming 'the end of History'.

Besides agreeing that the point is to interpret the world by positively interpreting Marx in order to change it, Marxists unanimously coincide that all social relations are of a historical nature. Now, we have already stated that consciousness is the form in which each human subject carries in him/herself the capacity to organize his/her own individual action as an organ of the process of social metabolism. Therefore, consciousness is the form in which each person carries his/her general social relation. In short, consciousness is a form of the general social relation. But it is not so abstractly, simply by virtue of its content. Its very form -i.e., its method- is an expression of the general social relation. Therefore, its method is a historical social product itself. According to Marxists, however, all general social relations might be historical, but not quite so the method of scientific knowledge, which is seen as naturally taking the form of logical representation and, in that condition, as one or another way of interpreting the world.

So much so that even someone who asserts that '[concerning Marxism] orthodoxy refers exclusively to *method*',³³ and that 'to grade the methods objectively in terms of their value to knowledge is itself a social and historical problem',³⁴ cannot find any specific about historical materialism, as regards the very form of representation, other than an abstract reference to a 'mediated totality'.³⁵

³³ Lukács, Georg, *History and Class Consciousness*, Cambridge MA., The MIT Press, 1971, p. 1. Notably the English translation does not include the direct reference to Marxism present in the original edition, included here between straight brackets.

³⁴ Lukács, Georg, op. cit., p. 164.

³⁵ Lukács, Georg, op. cit., p. 164. In this manner, Lukács considers that '(t)he goal of these arguments is an *interpretation*, an exposition of Marx's theory *as Marx understood it*' (ibid., p. xliii). On the one hand, he clings to the appearance that 'theory' -i.e., the organizational moment of an action based on logical representation- may have an existence and finality abstracted from that action itself. On the other, that there can be a 'practice' devoid of the concretely determined integrity of its own organization. Subsequently, 'theory' and 'practice' are placed in a relationship of 'correspondence' (or lack of it) out of their mutual exteriority. Only in this way can an action in which the subject affirms his/her concretely

Nevertheless, logical representation is not the *natural* form of scientific method. It is a historically determined form of social relationship in which ideology, thus the negation of objective knowledge, becomes affirmed under the appearance of its opposite, i.e. scientific method.

4) The reproduction of the concrete by means of thought, or dialectical knowledge as a historically specific form of the objective consciousness of the working class as revolutionary subject.

Thus far we have recognized the specific historical determination of logical representation as the necessary form of objective consciousness in the capitalist mode of production. It is the necessary form of the production of relative surplus value which, as such, deprives its subject -more concretely, the working class as a political subject- of the possibility of becoming objectively aware of its powers as historical subject. A question immediately arises: which is, then, the form of objective knowledge inherent to the working class's own historical subjectivity, with the capacity to organize the supersession of the capitalist mode of production?

This kind of knowledge does not come to a halt in the face of the appearance that the concrete existence upon which we intend to act is devoid of any objective potentiality to be actualized. If it lacked this potentiality, any action aimed at transforming the concrete existence under consideration would be utterly impotent. Consequently, our process of cognition must confront this concrete existence by means of an analysis that recognizes it precisely in its condition as an actual existence which, at the same time, embodies a potentiality to be realized. But in order to act upon this potentiality, our knowledge needs to account for its necessity. And the latter resides in the very form as an actual existence of the concrete object we are facing. In turn, this actual existence is the product of the realization of a potentiality which determined it as such actual existence. In other words, our analytical process must pierce deeper into the concrete existence that constituted the starting point in search of the necessity which is already realized in it. The point now is therefore to discover the form in which the initial concrete still existed as a pure potentiality to be actualized. Upon which, we must then account for the necessity of the newly discovered concrete existence.

Schematically put, we faced at the beginning concrete existence A , whose potentiality α could be realized by means of our action. In order to account for the necessity of this potentiality, and thus of our own action, we must account for the necessity of A as an already realized actual existence. We analyse A , and find that it is the concrete form in which concrete existence B had realized its own potentiality β . We must now explain the necessity of this newly discovered potentiality, which we do by moving to the analysis of B as an already realized existence. We thereby arrive at concrete existence C , whose potentiality χ is realized under the concrete form of B . As should be clear from this schematic presentation, the analysis does not consist, as it does according to logical representation, in the abstraction of a recurring attribute. Instead, this dialectical analysis moves through the discovery of the necessity-content that determines each concrete existence which, in turn, can only be done by facing the necessary concrete form of realization of the said content. As a consequence, this form of analysis renews on each turn the inquiry into the necessity of its object, without being able to stop until discovering it under its simplest and most general form of actual existence. The simplicity and

determined social being be represented as if it were organised by a 'false consciousness', and not by his/her necessary concrete form of consciousness (ibid., pp. 224-225).

generality of the latter stems from embodying no potential necessity other than that of self-transcendence or self-actualization, that is, of affirming through self-negation. This analysis thus culminates when facing matter, that is, objective existence, under its simplest and most general form.

So far the course of our process of cognition has proceeded by inquiring into the objective content's necessity, starting with the analysis of the latter's realized form of existence. Conversely, at the juncture in which the analytical process culminated, the only necessity to account for at our disposal is that of the content's equally necessary forms of realization. No sooner than this content realizes its potentiality under its necessary concrete form, the resulting concrete existence confronts us as an actual existence whose necessity we already know, but which, however, embodies a potentiality whose realisation we still need to follow by means of thought. In this way, we move forward from the simplest and most general expression of determination, reproducing by means of thought the realization of that determination under its necessary concrete forms. This *synthetic* process stands in stark contrast with that of logical representation, which revolves around the removal of simplifying assumptions. In order to clarify this point, let us briefly return to our schematic presentation.

At this juncture, we already know the necessity of C as an actual existence which embodies the potentiality χ . Thus, in order to make progress in the knowledge of our action's necessity we must follow the actualization of potentiality χ in its concrete form B , etc. Eventually, this path will lead us to confront concrete existence A again, but now as an existence whose determination we objectively know, given that we have followed the unfolding of its necessity by means of thought. Likewise, we thereby also know A 's necessity in its form of existence as potentiality α , whose realization is still pending. In turn, we can therefore recognize which form of our action can act as a concrete mode of realization of potentiality α , in the transformative shape that we, as determinate subjects, consciously and willingly intend. In other words, the subject of an action organized by means of this kind of knowledge, finds that in order to govern his/her own potentiality vis-à-vis that of his/her object, he/she needs to ideally follow both the object's necessity as well as his/her own through their unfolding. Furthermore, this process cannot come to a halt until reaching the point in which each necessity is respectively revealed in its determination as a potentiality of the object whose necessary concrete form of realization is but the transformative potentiality of the subject. It is a dialectical process of cognition which takes shape by reproducing in thought the motion unfolded in reality by the development of the subject of action's own necessity with respect to that of his/her object.

The dialectical process of individual knowledge that faces its object as an already constitutive portion of social knowledge, cannot take for granted the latter's existence and represent it as the foundation of its own objectivity. Otherwise, it would cease to be a reproduction of the concrete in thought and develop the exteriority of a representation, i.e. it would become an interpretation. Its own form leads it to penetrate by itself in the real concrete it faces in order to, subsequently, ideally reproduce the latter's potentiality, as a mode in which the subject organises his/her action.

Thus, recourse to already existing dialectical knowledge only provides the subject with the possibility of approaching the concrete upon which him/her will take action, equipped with a guideline on the necessity which must be sought in the object under consideration. What was an intricate search with no guide but its own wandering about in the purely original process of cognition, turns into the possibility of directly inquiring if the already-known necessity is at stake in the process of *re-cognition*. It is, however, just a guide. Once the process of recognition discovers in its singular concrete a different necessity from the one to which previously-existing knowledge was pointing to, or

discovers one which transcends the latter, it thereafter itself becomes a purely original process of cognition. Therefore, each individual reproduction of dialectical knowledge inevitably subjects existing social knowledge to criticism, thus making it account for its continuing validity.

In fact, Marx makes our process of recognition confront the specificity of this form of dialectical knowledge at the very onset of the development of scientific knowledge: 'I do not start out from "concepts" [...] What I start out from is the simplest social form in which the labour-product is presented in contemporary society, and this is "the commodity"''.³⁶ Accordingly, as the starting point is a concrete and not its concept, the necessity that guides its unfolding cannot be external to such concrete. And it is Marx too who, in the following remark, makes our process of recognition account for this determination within our object, i.e. within the method of dialectical knowledge: 'Logic [...] is *alienated thinking*, and therefore thinking which abstracts from nature and from real man: *abstract thinking*''.³⁷

Without a concept as starting point and an abstract ideal necessity to follow, Marx places our process of recognition before the need of explaining why, due to this concrete determination, the method of scientific knowledge in question is necessarily *the opposite of the unfolding of a conceptual system*, however dialectic this may be: 'It will be necessary [...] to correct the idealist manner of the presentation, which makes it seem as if it were merely a matter of conceptual determinations and of the dialectic of these concepts. Above all in the case of the phrase: product (or activity) becomes commodity; commodity, exchange-value; exchange-value, money.'³⁸

Likewise, Marx confronts our process of recognition with the need of wondering why *it is not a matter of opposing a scientific unfolding of the concept to dogmatic or doctrinal conceptions*: 'Just as from the dialectic movement of the simple categories is born the group, so from the dialectic movement of the groups is born the series, and from the dialectic movement of the series is born the entire system. Apply this method to the categories of political economy and you have the logic and metaphysics of political economy [...] which makes them look as if they had newly blossomed forth in an intellect of pure reason'.³⁹ And, finally, he makes our process of recognition account for the dialectical method in its unity as the '*reproduction of the concrete by way of thought*',⁴⁰ *in contrast to logical representation and its conceptual systems*.

On advancing in this manner, we recognize *Capital* as the historically-unprecedented unfolding of the reproduction in thought of the necessity that determines the historical *raison d'être* of the capitalist mode of production and, as a consequence, the action of the working class as bearer of its revolutionary supersession through the development of a community of freely associated individuals. In other words, a community of individuals with the power to organise their action for objectively knowing their own determinations beyond any apparent exteriority. Marx has produced this unfolding by giving this original knowledge an objective social existence suitable for appropriation by others, i.e. by giving it the form of a published text.

After *Capital*, all reproduction in thought that moves through the determinations unfolded in it, becomes thus determined as a process of recognition from a social point

³⁶ Marx, Karl [1879-80], 'Notes on Adolph Wagner', *Later Political Writings*, Cambridge, Cambridge University Press, 2002, p. 241.

³⁷ Marx, Karl [1844], 'Economic and Philosophic Manuscripts 1844' in *Marx/Engels Collected Works*, Volume 3, London: Lawrence and Wishart, 1975, p. 330.

³⁸ Marx, Karl [1857-8], *Grundrisse*, London: Penguin Books, 1993, p. 151.

³⁹ Marx, Karl [1847], 'The Poverty of Philosophy', in *Marx/Engels Collected Works*, Volume 6, London: Lawrence and Wishart, 1976, p. 165.

⁴⁰ Marx, Karl [1857-8], *Grundrisse*, op. cit., p. 101.

of view. But it is not a matter of *interpreting* it. It is truly about confronting the real forms of capital ourselves, in order to attain our potentiality as historical subjects on reproducing such forms by means of thought. However, we can undertake the task with the enhanced power we acquire with the availability of the ideal reproduction of those real forms as already developed in *Capital*. In this sense, we have a two-fold advantage compared to Marx. First, we have the product of Marx's social labour to empower our progress towards the free organization of the process of human life. Second, we face the immediate object of our action, capital, under much more developed historical forms than those that Marx confronted in his time. Concrete forms that existed as barely emerging potentialities then, lie now before us in their full actuality. All of which leaves its mark on our responsibility as historical subjects, whose action towards superseding the capitalist mode of production involves, as a necessary inner moment, the collective production of a consciousness capable of organising our own action with the objective power of dialectical knowledge.

If in the course of reproducing by means of thought of a concrete upon which we are taking action we confront different forms from those faced by other subjects in their own inquiry, our reproduction will cease to be a process of recognition from a social point of view to become an original process of cognition. Let us take, in this sense, the specific case of a divergence from the forms discovered by Marx himself. At this stage of our discussion, it should be clear that at stake here is not the organization of our action as organs of the process of social life by means of one or another way of *interpreting* Marx. Thus, insofar as the question actually is that of acting on the basis of an objective knowledge of our own determinations with the potentiality to transcend the appearances which characterise all interpretation, we shall not undertake an ideal *representation* of the concrete. In line with the interpretive character of such representation, the difference between one's own claim and Marx's writings, even if contradicting the latter openly, are settled by maintaining that the former is in fact 'what Marx really meant'. Subsequently, the next step is to propose a certain organization of social action founded on such interpretation. However, in all this it is never acknowledged that the proposed course of action is founded on its advocate's own ideal construction. Instead, it is presented as if it had entered the realm of theoretical representations under the aegis of the *true* Marx, i.e. as *Marxist theory* or simply *Marxism*.⁴¹

By contrast, in its self-recognition as the organizational instance of its subject's action, the reproduction of the concrete by means of thought cannot lay claim to the ability to speak in someone else's name, even if the concrete forms it has gone through in its development are identical to those already presented by this other individual. Needless to say, the same goes for non-identical forms. Hence, instead of speculating on the hermeneutics or philological readings of *Capital*, we might as well summarize the point by stating that 'what Marx found on his scientific development was Marx's problem; what we encounter on facing our real concrete, whether the same as Marx's or not, that is our problem'.⁴²

Finally, and by way of concluding remark: Why, when we undertake this path and objectively recognize that the capitalist mode of production means exploitation and

⁴¹ Particularly notorious examples of this practice are *Ricardian Marxism's* reduction of value to its content, or the reduction of value to its form, as done by *Rubinstein Marxism*. Both reductions lead to the representation of human freedom as a natural attribute thus avoiding its recognition as a historical social relation born out of the production of commodities as a necessary form of the consciousness alienated in them. And both reductions are the grounds for the inversion of the *critique of political economy* into *Marxist political economy* precisely insofar as the naturalization of an abstractly free individual is intrinsic to political economy (See Iñigo Carrera, Juan, *Conocer el capital hoy...*, op. cit., pp. 107-187).

⁴² Iñigo Carrera, Juan, *Conocer el capital hoy...*, op. cit., p. 8.

alienation of the worker as an attribute of capital, should we degrade that objective knowledge by referring to it under name types designating interpretations of reality? Is it not the case that, when we state with certainty that the Earth revolves around the Sun, or that blood circulates through arteries and veins, we do it on the basis of objective knowledge and not because we are Copernican or Harveyist?

Bibliography list

Althusser, Louis, 'On Theoretical Work: Difficulties and Resources', in Louis Althusser, *Philosophy and the Spontaneous Philosophy of the Scientists & Other Essays*, Verso, London - New York, 1972, 1990.

Althusser, Louis, 'Preface to 'Capital' Volume One', in *Lenin and Philosophy and other essays*, New York, Monthly Review Press, 2001.

Anderson, Perry, *Passages from Antiquity to Feudalism*, London, Verso, 1996.

Astarita, Rolando, 'Kicillof ¿el ministro marxista?' [Kicillof, the Marxist Minister?], in <http://rolandoastarita.wordpress.com/2013/11/20/kicillof-el-ministro-marxista/>, 2013.

Backhaus, Hans-Georg, *Dialektik der Wertform*, Freiburg, Ca ira Verlag, 1997.

Bax, Belfort Ernest, 'The Zurich Resolutions', *Justice*, 13th May 1893.

Elbe, Ingo, *Marx im Westen*, Berlin, Akademie Verlag, 2010, partially translated in http://enelhorizontedelacrisis.files.wordpress.com/2013/01/ingo-elbe_entre-marx-el-marxismo-y-los-marxismos.pdf.

Engels, Frederick, 'Engels to C. Schmidt, 5 August 1890', *Marx-Engels Collected Works*, Volume 49, Great Britain, Lawrence & Wishart, 2001.

Engels, Frederick, 'Engels to E. Bernstein, 2/3 November 1882', *Marx-Engels Collected Works*, Volume 46, Great Britain, Lawrence & Wishart, 1992.

Engels Frederick, 'Engels to P. Lafargue, 27 August 1890', *Marx-Engels Collected Works*, Volume 49, Great Britain, Lawrence & Wishart, 2001.

Felix, David, *Marx as Politician*, Carbondale & Edwardsville, Southern Illinois University Press, 1983.

Freeman, Alan, 'Marxism Without Marx: A note towards a critique,' *Capital and Class*, Vol. 34, N° 1, 2010.

Harnecker, Marta, 'Introducción', in Louis Althusser, *La revolución teórica de Marx*, México, Siglo XXI, 1967.

Hegel, Georg Wilhelm Friedrich [1812], *The Science of Logic*, Cambridge, Cambridge University Press, 2010.

Heinrich, Michael, 'Crisis Theory, the Law of the Tendency of the Profit Rate to Fall, and Marx's Studies in the 1870s', *Monthly Review*, Vol. 64, N° 11, April 2013.

Iñigo Carrera, Juan, *Conocer el capital hoy. Usar críticamente "El capital"* [Knowing Capital Today. Using 'Capital' Critically], Buenos Aires, Imago Mundi, 2007.

Iñigo Carrera, Juan, *El capital: razón histórica, sujeto revolucionario y conciencia* [*Capital: Historical Reason, Revolutionary Subject and Consciousness*], Buenos Aires, Imago Mundi, 2008.

Kliman, Andrew, *Reclaiming Marx's 'Capital'*, Lanham, Lexington Books, 2007.

Lukács, Georg, *History and Class Consciousness*, Cambridge MA., The MIT Press, 1971.

Marx, Karl [1844], 'Economic and Philosophic Manuscripts 1844' in *Marx/Engels Collected Works*, Volume 3, London: Lawrence & Wishart, 1975.

Marx, Karl [1845], 'Thesen über Feuerbach', *Marx-Engels Werke*, Band 3, Berlin, Dietz Verlag, 1978.

Marx, Karl [1847], 'The Poverty of Philosophy', in *Marx/Engels Collected Works*, Volume 6, London: Lawrence and Wishart, 1976.

Marx, Karl [1857-8], *Grundrisse*, London: Penguin Books, 1993.

Marx, Karl [1879-80], 'Notes on Adolph Wagner', *Later Political Writings*, Cambridge, Cambridge University Press, 2002.

Marx, Karl and Engels, Friedrich [1848], 'Manifesto of the Communist Party', *Marx/Engels Selected Works*, Vol. 1, Progress Publishers, Moscow, 1969.

Roemer, John, "'Rational choice" Marxism: some issues of method and substance', in John Roemer, (editor), *Analytical Marxism*, Cambridge, Cambridge University Press - Editions de la Maison des Sciences de l'Homme, 1986.

Rubel, Maximilien, 'La légende de Marx ou Engels fondateur', in M. Rubel, *Marx critique du marxisme*, Paris, Payot, 1974.

Rubin, Isaak [1928], *Essays on Marx's theory of value*, Montréal-NewYork, Black Rose Books, 1990.

Vincent, K. Steven, *Between Marxism and Anarchism: Benoît Malon and French Reformist Socialism*, Berkley, University of California Press, 1992.

Buenos Aires, January 2017

From the negation of the materiality of abstract labor to the abstraction of the revolutionary subject's free will. The case of Michael Heinrich*

Juan Iñigo Carrera

Translated by Leonardo Kosloff

- *Heinrich (The New Reading of Marx)*

According to Heinrich:

Every act of labor whose product (which can also be a service) is exchanged produces value.¹

This statement, which may initially appear as a simplification, is the first step in Heinrich's shift towards the inversion of the substance and the form of value. According to him, it's not that labor that produces commodities possesses a socially specific attribute that determines them as values, that is, as bearers of the anti-natural ability to relate to each other in exchange. Instead, for Heinrich, it is the fact that the products of labor are exchanged that determines the latter as a producer of value. The inverted determination of value-producing labor by the fact that its products are exchanged, is then followed by the reduction of value-producing labor to an abstract labor, which is abstracted from its historically specific determination by the private form that social labor takes in the capitalist mode of production. And as is customary, Heinrich makes this abstraction of the abstract labor that produces value by invoking the name of Marx:

Marx therefore speaks of value-producing labor as 'abstract labor'.²

Heinrich thus erases the fact that when labor is organized in a directly social manner, the general productive expenditure of the human body, or in other words, abstract human labor, does not produce value. This is precisely why he takes the first step in the inversion: if, at the starting point, labor owes its status as a producer of value to the fact that its products are exchanged,

* Taken from *Conocer el capital hoy. Usar críticamente "El Capital"*, Vol. 1: 'La mercancía, o la conciencia libre como forma de la conciencia enajenada' (*Knowing Capital Today, Using "Capital" Critically*, Vol. 1: 'The commodity, that is, free consciousness as the form of alienated consciousness')

¹ Heinrich, Michael, *An Introduction to the Three Volumes of Karl Marx's Capital*, New York, Monthly Review Press, 2012, p. 48.

² Heinrich, Michael, op. cit., p. 48.

followed by the idea that abstract labor produces value, this erases the possibility of there being abstract labor that does not produce value. Furthermore, the apparent simplicity of Heinrich's phrase contains another step in the erasure of the materiality of abstract labor and its specific social determination as a producer of value by the private character of labor:

Marx therefore describes abstract labor as the “value-forming substance” or as the “substance of value.” The “substance of value” as a figure of speech has frequently been understood in a quasi-physical, “substantialist” manner: the worker has expended a specific quantity of abstract labor and this quantity exists within the individual commodity and turns the isolated article into an object of value.³

Not only has the analysis unfolded to discover the specificity of value-producing labor been reduced to a mere “Marx speaks of”, but the discovery of socially necessary abstract labor materialized privately and independently in its product as the “substance of value” is degraded to the status of a mere rhetorical “figure of speech.” In this way, Heinrich turns the substance of value into a purely ideal existence, a pure concept:

Abstract labor is not visible, only a particular concrete labor is visible, just as the concept of 'tree' isn't visible...⁴

Heinrich denies the visibility of a materiality that is immediately visible: the materiality of the fact that when a human being works, they are productively expending their body, regardless of the specific form in which they do so, and materializing that expenditure in their product, whatever it may be. Moreover, when it comes to simple commodity producers, each of them has full control over this expenditure of their body, performing it privately and independently. Thus, his conception of abstract labor, which started by inverting the determination of its historical specificity as a producer of value, closes its inverted circle, presenting the materiality of abstract labor as devoid of its historical specificity due to the private form of social labor, as an abstract mental construct, impotent to account for the historically specific determination of value:

The reduction of various types of labor to labor in a physiological sense, however, is a purely mental abstraction, to which any kind of labor can be subjected, regardless of whether it produces a commodity. Furthermore, this formulation suggests that abstract labor has a completely non-social, natural foundation, and has therefore accordingly provoked “naturalistic” interpretations of abstract labor. [...] Abstract labor, on the other hand, cannot be “expended” at all.⁵

³ Heinrich, Michael, op. cit., p. 49.

⁴ Heinrich, Michael, op. cit., p. 49.

⁵ Heinrich, Michael, op. cit., p. 50.

In summary, where Marx literally expounds his discovery regarding the materiality of abstract labor as the productive physiological expenditure of any human body under any concrete form, common to all forms of society,⁶ but that only when performed privately and independently, its materialization in the product represents the latter's attribute to socially relate its producers,⁷ Heinrich believes he sees "naturalistic interpretations" of a "concept," resulting from a "purely mental abstraction." The entire secret of the apparent analysis through which Heinrich arrives at this erasure of the substance of value was already present in the initial inversion of that analysis, where labor appeared to owe its status as a producer of value to the fact that its product was exchanged.

Once he has emptied value of its substance, Heinrich aims to present this same substance as emerging from the form of value, that is, from exchange value.

Abstract labor is a *relation of social validation (Geltungsverhältnis)* that is constituted in exchange. In exchange, the concrete acts of expended labor *count* as a particular quantum of value-constituting abstract labor, or are *valid* as a specific quantum of abstract labor, and therefore as an element of the total labor of society.⁸

In light of this conception of abstract labor, the immediate question arises: What is the norm that governs this "relation of social validation", that is, what is the necessity which is realized by taking form in it? In other words, why should the product of a certain concrete labor normally be validated as equivalent to x amount of "abstract labor" and not some other amount? Or, what determines that the product of x hours of concrete labor is normally validated as equivalent to the product of y hours of another concrete labor, insofar as they are "abstract labor"? And, in a more general sense, on what qualitative basis is said "social validation" determined quantitatively? Because, in the real world, exchange still takes the form of a quantitative relationship, the existence

⁶ In Marx's original terms:

The mystical character of the commodity does not therefore arise from its use-value. Just as little does it proceed from the nature of the determinants of value. For in the first place, however varied the useful kinds of labour, or productive activities, it is a physiological fact that they are functions of the human organism, and that each such function, whatever may be its nature or its form, is essentially the expenditure of human brain, nerves, muscles and sense organs. (Marx, Karl, *Capital, Volume 1*, London: Penguin Books, 1982, p. 164)

⁷ Again, in Marx's terms:

Something which is only valid for this particular form of production, the production of commodities, namely the fact that the specific social character of private labours carried on independently of each other consists in their equality as human labour, and, in the product, assumes the form of the existence of value, ... (Marx, Karl, op. cit., p. 167)

⁸ Heinrich, Michael, op. cit., pp. 50-51.

and commensurability of which presupposes the existence of a common quality in both poles of the relationship.⁹ Let's examine it:

Value-objectivity (*Wertgegenständlichkeit*) is not possessed by commodities as objectifications of concrete labor, but rather as objectifications of abstract labor. However, if as we just outlined, abstract labor is a relation of social validation existing only in exchange (where privately expended labor counts as value-constituting, abstract labor) then value also first exists in exchange. What's more, value is not at all a property that an individual thing possesses in and of itself. The substance of value, that constitutes the foundation of this objectivity, is not inherent to individual commodities, but is bestowed *mutually* in the act of exchange.¹⁰

Heinrich's response skips from the sheer material heterogeneity of concrete labor to the private form in which social labor is organized. This form lacks inherent materiality, as is evident. It leads to an "abstract labor" that, thanks to the leap taken along the way, has shed its materiality to become an abstractly conceptual existence. This existence is entirely devoid of a substance that can be manifested in exchange, since it now turns out that exchange itself generates it.

Private labor is a way of organizing social labor, that is, assigning the materiality of the total labor capacity of society to the various specific and useful forms of labor to be physically carried out by each productive member of society. Without a doubt, this historically specific form of making such an allocation operates by determining the material forms through which social labor is executed. It does so by giving each producer full control over their individual labor and depriving them of any control over its social character. However, this fact does not change in the slightest that the materiality of labor is irreducible to the social form of its organization. Therefore, invoking "private labor" does not resolve the question that, in the equality relationship between quantities of qualitatively distinct use-values, there must be an underlying common quality of the labor privately materialized in them, and that this quality is alien to the heterogeneity of concrete labor.

It is then that Heinrich attempts to evade the issue by turning it upside down: it's not that the exchange reveals that both poles of the relationship possess the same property in equal quantity, but that the realization of the exchange relationship establishes a quantitative proportion abstracted from all qualitative content, resulting in the existence of a common quality. In other words, according to Heinrich, it's not that the exchange relationship reveals that commodities have an attribute that has allowed them to enter it, but that commodities enter exchange devoid of attributes

⁹ It pertains a property inherent to the thing and the necessity that this property carries within itself, by its very determination, to manifest itself in a relative form:

However, the properties of a thing do not arise from its relations to other things, they are, on the contrary, merely activated by such relations. (Marx, Karl, op. cit., p. 149)

¹⁰ Heinrich, Michael, op. cit., pp. 52-53.

and emerge from it with the attribute of being “values,” whereas the labor that produced them emerges with the attribute of being “abstract.”

On this basis, Heinrich takes one step further in denying abstract socially necessary labor which is privately and independently embodied in its product as the substance that constitutes the qualitative foundation that is objectified in the relationship of equality that takes form in exchange. He inverts the former as if it were emerging from the very existence of that exchange, so that the determination of value is posited on its necessary form of exchange value:

Only labor-time expended under the average existing conditions of production as well as for the satisfaction of monetary social demand constitutes value.¹¹

Even the mere reference to “labor time expended under average production conditions” corresponding to a certain type of commodity reveals the erasure of the material quality of labor that Heinrich has had to resort to in order to reduce it to the abstraction of its pure social quality as “private labor.” The reference to different production techniques converging to form an average quantity of labor spent implies the coexistence of different forms of concrete labor applied to produce the same type of use value. Therefore, the determination of the average amount in question requires the existence of a common quality, not just among different branches but within each of them. The expenditure of human labor power in general, that is, the materiality of socially necessary abstract labor performed privately, sneaks into Heinrich's determination of the exchangeability of commodities, no matter how much he tries to expel it to the realm of concepts.

However, now, even the determination of the “socially necessary” character itself suffers the consequences of denying the determination of the substance of value by the materiality of privately and independently performed abstract labor. It is no longer a matter of how the private allocation of the capacity to perform social labor gives each producer full control over their individual concrete labor at the expense of having no control over the determination of their product as socially useful or useless. As a result, the product of socially necessary labor performed privately can only acquire that condition at the very moment when labor is materializing in it, that is, at the very moment of its production. But the fact of possessing such an attribute, that is, being a commodity, can only manifest itself when that product proves to be a bearer of it by entering into an exchange relationship with another commodity in quantities of whose body it expresses its value, meaning the latter functions as its equivalent. Therefore, the socially necessary character of a certain amount of privately materialized abstract labor will always manifest itself as such in circulation, being confronted as a counterpart with a social need capable of being represented through that equivalent. Correspondingly, the socially useless character of privately materialized abstract labor will manifest its condition as such when attempting to enter into an exchange relationship and being unable to do so because it lacks the necessary attribute. It is the fact that social labor is performed privately which determines that the unity between production and social consumption can only be established in this indirect manner, after production has been completed.

¹¹ Heinrich, Michael, op. cit., p. 50.

Consequently, this indirect unity takes the form of the relationship between the supply and demand for these commodities in circulation. Once again, it is the substance of value that determines the necessity of its form.¹² Nevertheless, as Heinrich denies the substance of value in order to reduce it to a “social validation” that occurs in circulation, the socially necessary character of value-producing abstract labor is inverted under the form of “*as well as* for the satisfaction of monetary social demand,” which determines the extent of that validation. And once again, the form appears inverted as determining the necessity of the substance. From this inverted perspective, it would be necessary to first understand what money is and what demand is to explain what value is.

From the same inversion, Heinrich subsequently argues that in determining the value of a commodity, the relationship between its supply and demand plays a role. This implies that under any circumstances, commodities are always sold at their value. It also implies, therefore, the impossibility of the existence of a substance of value that determines the exchangeability of a commodity, except for the magnitude of its “social validation” by the very equality established in exchange:

To what extent the privately expended labor was actually necessary to satisfy demand depends on the one hand upon the amount of this demand and on the other hand upon the volume of production of other producers—both of which first become apparent in exchange.¹³

The analysis of this determination requires going beyond the question of the substance of value and its necessary form as exchange value, to advance in the unfolding of its concrete movement in circulation. This implies that we must proceed by reproducing on our own the development that Marx presents in the third chapter of ‘Capital’ regarding the function of money as a means of circulation. Having done this, our exposition is confined here to the specific determination in question.

Heinrich considers that to back up his assertion, it is sufficient to present a quote from Marx. Let’s take this same quote as the starting point for our analysis. Therefore, we transcribe it with greater extension than the portion quoted by Heinrich:

We suppose him to have spent on his product only the average socially necessary quantity of labour-time. The price of the commodity, therefore, is merely the money-name of the quantity of social labour objectified in it. [...] Let us suppose, finally, that every piece

¹² ‘The exchange or sale of commodities at their value is the rational, natural law of the equilibrium between them ; this is the basis on which divergences have to be explained, and not the converse, i.e. the law of equilibrium should not be derived from contemplating the divergences. ... The real inner laws of capitalist production clearly cannot be explained in terms of the interaction of demand and supply [...] since these laws are realized in their pure form only when demand and supply cease to operate, i.e. when they coincide.’ (Marx, Karl, *Capital, Volume 3*, London: Penguin Books, pp. 289 and 291)

¹³ Heinrich, Michael, op. cit., pp. 51-52.

of linen on the market contains nothing but socially necessary labour time. In spite of this, all these pieces taken as a whole may contain superfluously expended labour-time. If the market cannot stomach the whole quantity at the normal price [...], this proves that too great a portion of the total social labour-time has been expended in the form of weaving. The effect is the same as if each individual weaver had expended more labour-time on his particular product than was socially necessary. As the German proverb has it: caught together, hung together. All the linen on the market counts as one single article of commerce, and each piece of linen is only an aliquot part of it. And in fact the value of each single yard is also nothing but the materialization of the same socially determined quantity of homogeneous human labour. ... The division of labour converts the product of labour into a commodity, and thereby makes necessary its conversion into money. At the same time, it makes it a matter of chance whether this transubstantiation succeeds or not. Here, however, we have to look at the phenomenon in its pure shape, and must therefore assume it has proceeded normally. In any case, if the process is to take place at all, i.e. if the commodity is not impossible to sell, a change of form must always occur, although there may be an abnormal loss or accretion of substance - that is, of the magnitude of value.¹⁴

The normality that governs the indirect unity between the social production and consumption of a commodity corresponds to the point at which its producers, collectively, have privately applied a total amount of abstract labor that puts them in a position to dispose of the product of the same amount of abstract labor materialized privately by other producers under the concrete forms from which the commodities that satisfy the needs of the former result. Consequently, the key regarding the question of whether or not the imbalance between supply and demand intervenes in the determination of the value of commodities lies in discovering if, when the former exceeds the latter, the substance of value which is abnormally suppressed in circulation has vanished without a trace. In the inverse case, the key lies in discovering the source of the substance of value which is abnormally added in circulation.

Let's assume that the abstract socially necessary labor required to produce one unit of commodity A is 10 hours, a value substance expressed as \$10, and that the solvent demand - that is, the social need capable of being represented by value - corresponding to this value is 100 units. However, let's assume that the producers of A have produced 110 units, meaning that instead of applying the 1000 hours of socially necessary abstract labor, they have applied 1100 hours. Let's assume that for the solvent demand to expand and reach this quantity, each unit must be sold for \$9. Finally, let's assume that all buyers of commodity A have sold their own commodities for their value, so they have received \$1 for the product of each hour of socially necessary abstract labor they have performed.

When they meet their buyers in circulation, the sellers of A deliver the product of 1100 hours of socially necessary labor, but only receive \$990. They have contributed the product of those 1100 hours of socially necessary abstract labor to social consumption but can only withdraw for

¹⁴ Marx, Karl, *Capital, Volume I*, op. cit., pp. 201-203.

themselves the product of 990 hours of the same labor. Indeed, from their point of view, 110 hours of socially necessary abstract labor, or value substance, have vanished.

But let's look at the same situation from the buyers' point of view. They have contributed the product of 990 hours of socially necessary abstract labor to social consumption, but have taken from the market the product of 1100 hours of the same labor. In the indirect unity between production and social consumption, the entire product of the 2090 hours of privately performed socially necessary abstract labor has passed into the sphere of social consumption. However, precisely because of the private manner in which this labor has materialized in its product under the respective concrete forms, some producers have applied 1100 hours of their labor to produce for social consumption and received the product of 990 hours of socially necessary labor, while others have contributed to social consumption the product of 990 hours of socially necessary labor and received that of 1100 hours. Far from simply vanishing in circulation, the portion of the value substance in question has been appropriated by those who bought the commodities in which it was materialized by paying below their value.

Let's consider the inverse case. Suppose the producers of commodity A have only produced 90 units and, therefore, applied 900 hours of socially necessary abstract labor. Suppose that for the normal solvent demand to contract to this quantity, each unit must be sold for \$11. Let's continue assuming that all buyers of A have sold their own commodities for their value. Now, the sellers of A deliver the product of 900 hours of socially necessary labor, but receive \$990. They have contributed to social consumption the product of 900 hours of socially necessary abstract labor but withdraw for their own consumption the product of 990 hours of equal labor. From their point of view, the exchange has added 90 hours of socially necessary abstract labor, or in other words, value substance to their product, without them having to lift a finger beyond what is normal for them. But let's place ourselves on the other side of the counter. The buyers of A have contributed the product of 990 hours of socially necessary abstract labor to social consumption, but have only taken from the market the product of 900 hours of equal labor. In the indirect unity between production and social consumption, all the product of the 1890 hours of socially necessary abstract labor carried out privately has been absorbed by social consumption. But while some producers have brought the product of 900 hours of that labor to this consumption and disposed of the product of 990 hours for themselves, others have found themselves in the opposite situation. Far from simply adding new value substance to commodity A in circulation, the portion in question has been originally produced by the socially necessary abstract labor of those who then lost it in favor of the producers of A, by buying it and paying above its value.

But although price, being the exponent of the magnitude of a commodity's value, is the exponent of its exchange ratio with money, it does not follow that the exponent of this exchange-ratio is necessarily the exponent of the magnitude of the commodity's value.¹⁵

¹⁵ Marx, Karl, *Capital, Volume I*, op. cit., p. 196.

No matter how much the prices at which commodities are exchanged may differ from their values, in circulation, no more or less value substance changes hands than what enters it. As the substance of value, abstract labor is not a "validation relationship" that arises in exchange, nor does the relationship between supply and demand enter into its determination:

It becomes plain that it is not the exchange of commodities which regulates the magnitude of their values, but rather the reverse, the magnitude of the value of commodities which regulates the proportion in which they exchange.¹⁶

The absurdity of pretending that the relationship between supply and demand intervenes in the determination of value is evident, even by simply considering that if it did, commodities would always appear to be sold and bought at their value. In which case, there would never be any deviation from normalcy because it would be a normalcy lacking determination, except for being simply fluctuating at the rhythm of said relationship. Even the average of these "values" would appear to have no necessity other than chance, since if value were that abstract "validation relationship" lacking all substance preexisting the exchange itself, supply and demand would always emerge equal from that same exchange. Thus, producers of commodities would have no way of recognizing whether their action as private individual organs of the process of social metabolism should be modified in one direction or another around a norm.

Curiously, the "new reading of Marx" converges towards the most vulgar neoclassical economics in attributing to the interplay between supply and demand the capacity to determine value. And, like it, it can only be sustained upon its own contradictions. As we have already seen, Heinrich has explicitly told us that:

However, if as we just outlined, abstract labor is a relation of social validation existing only in exchange (where privately expended labor counts as value-constituting, abstract labor) then value also first exists in exchange.¹⁷

But now he reprimands us for falling into the 'nonsense' of believing him, because it turns out that the very value and, by logical consequence, the 'abstract labor that constitutes value,' already exist in production, an activity that obviously precedes the circulation where the exchange occurs:

However, even the question as to whether value and the magnitude of value are determined in the sphere of production or in the sphere of circulation (the sphere of buying and selling) is the result of a fatal reduction. Value isn't just "there" after being "produced" someplace. ... But value isn't a thing like the bread roll, but rather a social relationship that *appears as a tangible characteristic* of a thing. The social relationship

¹⁶ Marx, Karl, *Capital, Volume 1*, op. cit., p. 156.

¹⁷ Heinrich, Michael, op. cit., pp. 52-53.

that is expressed in value and the magnitude of value is constituted in production *and* circulation, so that the “either/or” question is senseless.¹⁸

Far from being a materialized social relationship, which as such takes the form of a spectral materiality, what Heinrich presents to us is a kind of production process capable of going back to the future, since it is governed by a value that does not yet exist. Thus, value can go from being “a social relation that appears as a tangible characteristic of a thing” to being the expression of a social relation, that is, something which is not the social relation itself in its entirety, while this social relation conveniently remains with its specificity wholly undefined, and even unnamed. Such ambiguity allows it to be everywhere, even in those places where this same conception asserts that it cannot be.

We have already seen Rubin's reaction to Marx's exposition in *Capital* regarding abstract labor as the generic physiological expenditure of human body applied productively, which only when materialized privately and independently in its product under a socially useful concrete form and under normal conditions, is represented as the historically specific purely social attribute of said product, as the value of commodities. Where Marx discovers this simplest and most fundamental determination of the general social relation in the capitalist mode of production, Rubin sees an incoherent writer who literally wrote sentences incompatible with his own theory of value. And even someone who intellectually regressed from his own previous work, the *Contribution to the Critique of Political Economy*, “where Marx developed his theory more completely.” Heinrich not only shares Rubin's first perspective, but also shows himself determined to fuel the second. Thus, Heinrich sees a Marx whose knowledge of value and its form has reached “emphatic clarity” when writing a draft in preparation for the second edition of *Capital*, only to fall back and end up falling into the abominable assertion, typical of “naturalistic interpretations,” of the physiological character of abstract labor in the published text. As he puts it:

The substance of value, that constitutes the foundation of this objectivity, is not inherent to individual commodities, but is bestowed *mutually* in the act of exchange. The most emphatic statement on this by Marx can be found in his revised manuscript for the first edition. There he states that when a coat is exchanged for linen, then both are “reduced to an objectification of human labor per se.” However, it should not be forgotten that “*none of both is in and of itself value-objectivity* [Wertgegenständlichkeit], they are this only insofar as that this objectivity is commonly held by them. Outside of their relationship with each other—the relationship in which they are equalized—neither coat nor linen possess value-objectivity or objectivity as congelations of human labor per se.” (MEGA, 2.6:30).¹⁹

¹⁸ Heinrich, Michael, op. cit., p. 54.

¹⁹ Heinrich, Michael, op. cit., p. 53.

To begin with, the existence of a substance and its expression or objectification are not synonymous. Everyone knows that thought is the substance that is socially objectified in words when one speaks, even though there may be those who seem to speak without thinking. That is, thought exists *per se*, but due to its qualitative determination, it cannot manifest itself on its own, it needs to be expressed as the substance that takes form in words.

But Heinrich goes beyond the identification between substance and objectification. What he does is distort the flow of Marx's text. He attributes to Marx the assertion that it is through exchange, that the coat and the linen are "reduced to an objectification of human labor *per se*". But Marx explicitly reaches that point in his draft through the exposition of the process of *analysis* of the immediate manifestation of the exchange relation. And it is through this process of analysis that he discovers abstract labor as the substance of value. His discovery of the latter, therefore, runs in the opposite direction to the process of unfolding its necessary form as exchange value, that is, opposite to the way Heinrich seeks to present it:

Commodities acquire *value expression* (value form) only in *relation* to one - other. [...] Where does this come from? How does this peculiarity, common to all forms of value of the commodity, arise from the concept of value? We originally found the *concept of value* of commodities as follows: We took an exchange relation like *1 coat = 20 yards of linen*. We said: the coat and linen express something in *common* here [...] This same something is not their use-values or material usefulness [...] In their equation it is abstracted. It is, therefore, their character as *products of labor*. [...] As products of labor, they are the same insofar as they are products of the same labor, i.e. the coat, like the linen, is regarded as a *mere objectification of human labor per se*. This is their *value*. Thus, the coat and linen as values, each one for itself, were reduced to the *objectification of human labor per se*.²⁰

From the "none of both..." onwards, what follows in the quote presented by Heinrich, Marx clearly refers to the objectification or necessary expression of value in the form of exchange value, not to the determination of its substance as the objectification of abstract human labor. It is worth noting that because socially necessary abstract labor, which constitutes the substance of value of a commodity, is performed privately and independently, no commodity can present its own body as the objectification of its own value. The value of a commodity can only manifest itself by being objectified in quantities of the use-value of another kind of commodity, thus taking its specific form of exchange value.

But Heinrich adds a second quote from the same draft that he considers decisive:

²⁰ Marx, Karl, «Ergänzungen und Veränderungen zum ersten Band des "Kapitals"», in *Karl Marx Friedrich Engels Gesamtausgabe (MEGA)*, Volume 6, Division 2, Berlin, Dietz Verlag, 1987, pp. 29-30, (JIC translation).

As a consequence, “a product of labor, considered in isolation, is not value, nor is it a commodity. It only becomes value in its unity with another product of labor.” (MEGA, 2.6:31).²¹

However, the apparent forcefulness of the quote has no more support than the selective excerpting of Marx's text (Heinrich's excerpting is underlined):

The value form of the commodity as given in the value relation of different commodities.

1) The production of the materializations of labor as values reduces them to expressions of the *same unity*, (to expressions that which they have in common, expressions of that what is the same in them) to *human labor per se* as their *common substance*. This includes: *relation* to human labor as a unity, relation of the commodities to each other, as expressions of the *same unit*. *Or the relation of the products of labor to each other as expressions of this same unity is their value-being*. And it is only through this relationship that mere *products of labor* become useful objects – *commodities*. Therefore, a product of labor, considered in isolation, is not value, nor is it a commodity. It only becomes value in its unity with another product of labor, or in the proportion within which the different products of labor, as crystals of the same unit, human labor, are equated with each other. It follows, therefore, because the *value* of commodities is nothing but their *relation to labor* as their common substance, or their *relation to each other* as an expression of this common substance, that this value of a commodity can also only appear in the *value relation* in which it relates to other commodities, or only in the *value relation of different commodities*. Hence value expression can only be found, or commodities can only obtain value form, in their *relation to other commodities*. This shows us how the value form arises from the nature of value itself. If I say that this product of labor is value because human labor is expended in it, then this is merely the subsumption of the product of labor under the concept of value. It's an abstract expression that encompasses more than it says. For this product of labor is only reduced to this concept of value, in order to reduce it as a *thing of the same substance* as all other products of labor. The relation to other products of labor is therefore implied. [...] The expression, although it says nothing of this relationship, includes it.²²

At first glance, it may seem that Marx is simply unfolding the formal necessity of the unity between the substance of value and its objectification in exchange. The substance arises in production, where the products of labor acquire the common quality that enables their relationship as materializations of human labor per se. As a common quality of the products of labor, this substance cannot be objectified as a relation between the body of each product and the labor that

²¹ Heinrich, Michael, op. cit., p. 53.

²² Marx, Karl, «Ergänzungen und Veränderungen zum ersten Band des "Kapitals"», op. cit., pp. 29-30, (JIC translation).

produced it per se. It can only be objectified through the relationship between the bodies of commodities containing equal quantities of it, that is, as exchange value. But what Marx is truly unfolding is the real necessity of the unity between the substance of value and its form as exchange value. It is only that here, Marx does not directly make explicit the specificity of commodity-producing social labor. That is, he does not directly refer to it as socially useful labor organized privately and independently. But he implicitly introduces this specificity of commodity-producing labor by transitioning from the abstract attribute, which up to this point is only formally common to commodities, to the concrete exercise of this attribute in its determination as the real capacity of commodities to enter into the relation of exchange. This capacity is lacking in products of labor organized in a socially direct manner, despite also being materializations of human labor per se. Therefore, the term "value" is not abstractly reduced to the expression of "materialized abstract labor." It expresses the specific determination of privately materialized abstract labor that needs to manifest its socially useful condition through the entry of these materializations into relations of equality with their equivalents. Hence, the term "value" includes the necessity of the exchange relation, the necessity to express itself in the exchange relation.

It is not in vain that Marx emphasizes that his exposition "shows how the form of value arises from the very nature of value." This is the complete opposite of the inverted appearance that Heinrich attempts to present, with the intention of making it seem as if Marx is saying that the substance of value arises from its form. The "most emphatic statement made by Marx", to which Heinrich appeals in support of his inverted construction, actually demolishes the latter into pieces as soon as the adulteration and selective editing upon which it seeks to rely are exposed.

As is characteristic of a conception in which the form determines the substance of the content, or what is essentially the same, where there is no content other than the form, Heinrich begins by denying the development of human generic essence — defined by himself as 'what separates [real humans] from animals, namely that they developed their potential and ability through labor'—²³ and alienation, as manifest objects of *Capital*.²⁴ Consequently, he cannot acknowledge that the historically specific form taken by the development of this human generic being in the capitalist mode of production is synthesized in the fact that its subjects confront their own social being as if they lacked it, as individuals mutually free from personal dependence who carry out their social labor privately. Therefore, they confront the development of their generic being as if it were the realization of a power alien to them, as the realization of a power that naturally belongs to the product of their own social labor. Consequently, Heinrich cannot recognize the historically specific determination of the consciousness and will of subjects as free subjects, by virtue of being alienated in the commodity; that is, it is a consciousness and will alienated due to its content, which necessarily takes shape in its opposite, in personal freedom. And he cannot recognize that the fetishism of the commodity is the simplest and most general form of this alienated consciousness. Thus, he also cannot recognize that the necessity to overcome this

²³ Heinrich, Michael, op. cit., p. 21.

²⁴ Heinrich, Michael, op. cit., p. 22.

fetishism can only arise from the fact that the alienated development of the material productive forces of social labor needs to take shape in a consciousness that advances in its freedom by knowing itself to be objectively alienated.

It is thus that Heinrich ultimately reveals where his inversion of the determinations of value lead. From his inverted standpoint, value is not the simplest content of the general social relation that governs the development of a historically specific material form of the productive forces of human labor. Nor is the determination of individuals as personifications of value the concrete form in which they govern their conscious and voluntary action as individual organs of the process of social metabolism.²⁵ According to Heinrich, it is the reverse; the existence of value is explained by human behavior. Consequently, the necessity to overcome value is inverted into the abstract possibility of considering how to change that behavior.

the rule of value over humans is not a natural law of society, but the result of a very specific behavior by humans, and this behavior can—at least in principle—be changed. A society without commodities and money is conceivable.²⁶

And, in turn, fetishism dissolves into an abstract "structural background" that operates externally by affecting the consciousness and will of individuals, and which they can "penetrate" by opposing it with the exercise of a no less abstractly free consciousness and will:

However, this fetishism is also not a completely closed universal context of deception from which there is no escape. Rather, it constitutes a structural background that is always present, but affects different individuals with varying strength and can be penetrated on the basis of experience and reflection.²⁷

As always, behind the conception that value has no content other than its form lies the conception of human consciousness and will as inherently abstractly free by nature.

²⁵ As a whole, this is the opposite of:

The capitalist mode of production thus exhausts its historical reason for being, namely, the development of the material productive forces of society through the transformation of the productive powers of individual free labor into powers of directly social labor consciously organized by the collective worker that carries it out, in the form of the alienation of the powers of this labor as social powers of its material product. (Iñigo Carrera, Juan, El capital: razón histórica, sujeto revolucionario y conciencia, p. 39).

²⁶ Heinrich, Michael, op. cit., p. 77.

²⁷ Heinrich, Michael, op. cit., p. 185.

Scientific method: logical representation vis à vis dialectical reproduction (i.e., the consciousness dominated by alienation for believing itself an abstractly free one vis à vis the consciousness that advances in its freedom by being aware of its alienation)*

Juan Iñigo-Carrera

Centro para la Investigación como Crítica Práctica - Argentina

The point is to change it

‘The philosophers have done nothing but to *interpret* the world in various ways; the point is to *change* it.’ (Marx, Karl, XI Thesis on Feuerbach)

Marxists unanimously assume that the problem with philosophers is not that they interpret the world, but that they do not take action once they have achieved this interpretation. Moreover, Marxism has always postulated that the point is to scientifically interpret the world to face, on the basis of that interpretation, its conscious transformation. Still, is it the point? Should *interpretation* be taken as the natural form of scientific knowledge? What change are we talking about?

Free consciousness as the form of alienated consciousness¹

The capitalist mode of organizing social production, and therefore of organizing the process of social metabolism, starts from the dissolution of the relations of personal dependency. It is about a society of free individuals, within which social labor is performed in a private way. This means that the free consciousness in charge of organizing each unit of social labor lacks the capacity to control its own social powers. These powers face that consciousness inverted as the social powers imposed on it by its product -capital- which embodies the capacity to automatically give way to the general organization of social labor bearing its self-multiplication as immediate aim. Therefore, free consciousness is determined as the necessary personification of that alien social power, that belongs to its product and to which it is submitted. That is to say, within the capitalist mode of production, free consciousness is the form of the consciousness alienated in capital.

Through the production of relative surplus value, the process of capital accumulation, i.e. the progressive socialization of private labor, is the mode of organizing social life within which social labor is constantly driven to develop the capacity to consciously control its own organization while, at the same time, it pursues as its immediate aim the multiplication of the capacity to automatically organize social life beyond the consciousness of its producers.

The absolute limit to the capitalist development of the productive forces of society lies in this negation of the complete domination of the very powers of social labor. Therefore, the ultimate capitalist barrier to the development of productive forces lies in the mutilation

* This presentation summarizes chapter 7 “The dialectic method. A critique of scientific theory” of my book *El capital: razón histórica, sujeto revolucionario y conciencia*, Ediciones Cooperativas, Buenos Aires, 2003 as well as the developments on consciousness included in my book *Conocer el capital hoy - Usar críticamente «El Capital», Volumen 1, La mercancía, o la conciencia libre como forma de la conciencia enajenada*, Imago Mundi, Buenos Aires, 2007.

¹ See my presentation ‘The historical determination of the capitalist mode of production and of the working class as the revolutionary subject, vis à vis the current fragmentation of the workers’ productive subjectivity’ for the Economy Section of this Congress.

imposed on free consciousness by its determination as the form of existence of alienated consciousness. The overcoming of this barrier necessarily entails the annihilation of private labor as the way of organizing social labor, thus giving birth to the general conscious organization of the latter. In other words, to change the world means to transform human freedom from consisting in not being subject to the personal domination by another at the expense of submitting to domination by the social powers that belong to the product of one's own labor, to consist in not submitting to the personal domination of another, because one holds complete objective sway over one's individual labor as an organ of social labor.

The consciousness of the working class as the negation of the negation of free consciousness

The need inherent within the capitalist mode of production to develop itself towards its own overcoming into the general conscious organization of social production immediately presents us with the process of the development of consciousness. A consciousness able to organize the totality of the process of social production must have attained the power inherent in the fullness of objective knowledge, that is, it needs to be a completely free consciousness. Nevertheless, it can not reach this condition as an offspring of the previous overcoming of the capitalist mode of production. On the contrary, this overcoming is the offspring of the complete development of free consciousness. Therefore, complete free consciousness must necessarily be the most genuine product of the capitalist mode of production itself. More concretely yet, it must needs be the product of the social subject that the capitalist mode of production objectively determines as the bearer of its own overcoming, resulting from the same process in which the subject undertakes this overcoming. In a nutshell, the consciousness in question can only be developed as the product of the political action of the working class in the process of overcoming the capitalist mode of production. This action takes, as its necessary concrete form, the advance in the socialization of private labor by means of the centralization of capital as an alienated social property, which is to say, as property of the state. The consciousness of the working class able to overcome the capitalist mode of production can only be developed as a concrete necessary moment of the aforementioned process of capital centralization.

Yet, the consciousness of the working class is determined as an attribute of capital and, therefore, as a form of alienated consciousness. Above all, the free consciousness of the working class is the necessary concrete form of its alienated consciousness. Hence, it is the negation of free consciousness under the appearance of being a free consciousness. Therefore, the consciousness that bears the overcoming of the capitalist mode of production cannot be developed as the abstract affirmation of the free consciousness of the working class. It can only be developed as the free consciousness of the working class that determines itself as an alienated consciousness advancing in the denial of its own alienation. That is, as a consciousness whose freedom resides in determining itself as the negation of the negation of free consciousness.

The science of capital as a pure form of the production of relative surplus value, i.e., the theoretical representation

Capital's needs concerning scientific cognition face a contradiction. To increase relative surplus value by means of the system of machinery, capital is compelled to submit all production and consumption to science. Nevertheless, insofar as scientific cognition is simply

a concrete form of the production of surplus value, science must reproduce the alienation of human consciousness in capital. At the same time it has to be an objective consciousness, it needs to be a consciousness that looks upon itself in a non-objective way by accepting the appearance of being an abstractly free consciousness. For this reason, it is about a science that needs to appear as if the foundations of its objectivity were rooted outside itself. This foundation must appear to arise from a pure abstractly free subjectivity, as if it were based on philosophy², and more specifically, on a philosophy based on the appearance of free individuality inherent in the circulation of commodities.³

Scientific theory, namely logical representation, is this contradiction resolved. Scientific theory represents real concatenations by taking the forms where the necessity has been already realized needs have already been fulfilled -which is to say, the concrete forms- as if they were not, at the same time, forms that carry within themselves a necessity to be realized -which is to say, abstract forms. It thus defines real forms as unable to move by themselves. From this point of view, they can only be linked by an external relationship. It is here that logic comes into play.

Placed as incapable of moving by themselves, real forms are represented as forms that affirm themselves through the appearance of being abstract immediate affirmations. Consequently, consciousness could be affirmed as a free one or it could be affirmed as an alienated one. However, it is logically impossible for alienated consciousness to affirm itself through its own negation under the concrete form of free consciousness.

In fact, the appearance of being an immediate abstract affirmation corresponds to the actual quantitative determination considered in itself. Scientific theory subscribes to the logic that is genuinely necessary for mathematical cognition and represents it as the objective necessity that relates qualitatively the abstract immediate affirmations to which all real forms have been previously reduced. Mathematical logic is thus represented as formal logic. Based on this premise, scientific theory represents the real abstract determinations by the relationships of measure between their concrete forms. This representation allows the subject to govern actions upon real forms consciously: although the real necessity at stake is not truly known, it is nevertheless possible to act upon the magnitude of the real forms, thus transforming their quantity until this corresponds to that of a qualitatively different form. Its quality itself has thus been transformed.⁴

In turn, materialist dialectical logic takes the same abstract immediate affirmation as the simplest form of real existence.⁵ Its only difference is that it represents each of these affirmations as being necessarily united with another one of the same kind which appears as opposed to the former. Thus, the consciousness of the workers is represented as the unity of their free consciousness, on the one hand, and of their alienated consciousness on the other, within the constant struggle between them. Nevertheless, these poles are clearly mutually exclusive. The fact that their free consciousness is the concrete form of their alienated consciousness remains logically inadmissible.

Scientific method as ideology

² Hempel, Carl, *La explicación científica: estudios sobre la filosofía de la ciencia*, Paidós, Barcelona, 1996, p. 220.

³ Popper, Karl, "La lógica de las ciencias sociales", in Popper, K., T. Adorno, R. Dahendorf, J. Habermas, *La lógica de las ciencias sociales*, Grijalbo, México, 1978, p. 18.

⁴ Hegel, G. W. F., *Ciencia de la lógica*, Solar/Hachette, Buenos Aires, 1976, pp. 291-293.

⁵ Joja, Athanase, *La Lógica Dialéctica y las Ciencias*, Juárez Editor, Buenos Aires, 1969, p. 154.

Scientific theory revolutionizes once and again human control on natural forces, based on transforming quantitative differences into qualitative differences with objective knowledge. Its development seems to have no limit other than the conscious control over all the processes that concern human life. Therefore, scientific theory would appear to be the necessary form taken by the conscious organization of the human process of social metabolism. Yet, scientific theory itself has already discovered that this is like trying to walk through quicksand.

As its initial premise is to represent real concrete forms as abstract immediate affirmations, the real necessity that determines them can only go into logical representation by being reduced to the greater or lesser degree that the repetition of the existence of the real concrete form in question could present.⁶ Therefore, however the hypothetically postulated determination has been verified by comparing the foreseen results with the real ones in all the cases of similar appearance taken into consideration, this fact does not allow one to be logically certain about the unavoidable extension of the regularity to the singular case now faced, whose realization still remains pending. Therefore, theories cannot be verified previously to the action based on them. Scientific theory seeks for the solution to this impasse by turning the problem upside down: although theories cannot be verified, at least their potential falsity can be proved. Nevertheless, even the certainty about the falsity of a theory does not solve the problem of having acquired effective knowledge on the actual determination.

Hence, scientific theory itself arrives at a logically unavoidable conclusion: given the external nature of logical representation with respect to the real needs that we aim to appropriate in thought, it is impossible to be certain about an objective knowledge before acting.⁷

The theoretical stream that directly flows from modern Positivism accepts these limitations to the scope of scientific theory -that arise from the externality of the logical necessity with respect to the real necessity that is represented- beyond any doubt. It starts with Popper's self-complacent whining about 'rationally criticizing' what cannot be 'rationally justified nor proved' to have any real content,⁸ goes on with Feyerabend's degraded 'everything goes,'⁹ and ends up with Rorty's open contentment with his 'objective truth' not for its correspondence with reality but because 'the widest possible intersubjective agreement' has been achieved.¹⁰ Thus, objective scientific truth becomes any assertion that the community of scientists solidarily declares to be such. Why this privilege? Because, it is said, inasmuch as scientists pursue no interest other than knowledge itself, they are the most pure expression of free human subjectivity. Of course, free consciousness is not an abstract natural attribute but the historic specific social relation in which the consciousness alienated as an attribute of capital takes shape.

What alternatives offers us the Marxist theoretical stream, that is to say, the one whose critical position is grounded in taking Marx's texts as the model for logical representation? To begin with, we find the critical scientific theory that counts on overcoming the impotence of theory to reach the certainty concerning its truth thanks to the presumed superior self-consistency of its dialectical logic: while formal logic can only represent the results of determination in general, dialectical logic represents this determination in itself. How does

⁶ Hempel, Carl, op. cit., pp. 233 y 255.

⁷ Popper, Karl, op. cit., p. 27.

⁸ Popper, Karl, "La lógica de las ciencias sociales" en Popper, Adorno, Dahrendorf, Habermas, *La lógica de las ciencias sociales*, Grijalbo, México, 1978.

⁹ Feyerabend, Paul, *Tratado contra el método*, Madrid: Tecnos, 1981.

¹⁰ Rorty, Richard, "Solidarity or Objectivity," *Objectivity, Relativism, and Truth*, Cambridge University Press, Cambridge, 1991.

Marxist theory know this? Because it considers the form in which determination manifests itself once and again as the unity of two opposite elements¹¹. Or because it thus acquires a greater range in its 'explanatory power,' in its ability to demonstrate the necessity of the observed phenomena¹². Nevertheless, in the first place, the self-consistency of logic is unable to add more content of reality to the theoretical hypothesis, other than that of being the formal product of a constructive course developed with a greater or lesser self-consistency. In the second place, not even a step has been given here towards the nature of the general real necessity, beyond its appearance of an abstract repetition. Or, even worst, the certainty concerning the content of reality of a theory is declared possible not by demonstrating the theoretical necessity in reality, but the necessity of reality through logic.

As a second option, Marxist scientific theory accepts that verifying its results is only possible as the foresight of main tendencies¹³. Still, it happens that these tendencies have no way of realizing themselves other than through concrete human action. And the action that realizes a tendency can appear as its very negation, inasmuch as the inverse relation may be possible. Let us recall that, 'all science would be superfluous if the form of appearance and the essence of things immediately coincided.'¹⁴ Thus, the nebulous field that goes from the tendencies that are presumably known to the necessity of the concrete action that realizes them, is consecrated as the kingdom of opportunism, by the critical scientific theory itself.

Marxist critical theory seeks for the solution inside the theoretical procedure itself. It tries to solve the question of the certainty concerning the reality of theories through the immanent critique of theoretical developments.¹⁵ Still, to be such, this immanent critique must follow the logical necessity even more rigorously than the criticized development. Therefore, deep as it may go into a theory, this immanent critique has no way of overcoming the externality of the logical necessity with respect to the real necessity.

Marxist theory does not know if its own impotency must horrify or fascinate it. In both cases it goes on by considering itself free from the hopeless problem of verification. In the first case, because it has decided that its truth criteria reside in its moral foundations, in the elevated aims that guide it.¹⁶ That is to say, it presents itself necessarily constructed on the basis of a philosophy. We come thus face to face with the ideological negation of scientific cognition, i.e., philosophy, placed as the necessary departing point of the scientific cognition of reality. In the second case, this scientific theory directly declares any question concerning the truth or falsity of a theory to be meaningless. It starts by resolving that scientific cognition only deals with the mental forms through which it represents reality, but not with the real forms themselves. Hence, it declares eliminated by nature the necessity to confront the reality of the theoretical construction. From here on, it believes enough with declaring itself the working class' revolutionary doctrine, to sustain its cognitive superiority.¹⁷ Thus, it can only

¹¹ Joja, Athanase *La Lógica Dialéctica y las Ciencias* Buenos Aires: Juárez Editor, 1969. Lefevre, Henri *Logique formelle, logique dialectique* Paris: Editions Anthropos, 1969.

¹² Bhaskar, Roy *Reclaiming Reality* London: Verso, 1989. Parekh, Bhikhu *Marx's Theory of Ideology* Baltimore: The Johns Hopkins University Press, 1982. Smith, Tony *The Logic of Marx's Capital* Albany: State University of New York Press, 1990.

¹³ Bhaskar, Roy *Reclaiming ...*, *op. cit.*.

¹⁴ Marx, Karl *Das Kapital*, Vol. III, Frankfurt: Ullstein Verlag, 1980.

¹⁵ Adorno, Theodor *Negative Dialectics* London: Routledge & Kegan Paul, 1973. Gunn, Richard 'In Defense of a Consensus Theory of Truth', *Common Sense*, 7, 1989.

¹⁶ Gramsci, Antonio *Quaderni del Carcere I-IV* Torino: Einaudi, 1975. Habermas, Jürgen 'Teoría analítica de la ciencia y la dialéctica' *La Lógica de las Ciencias Sociales* México: Grijalbo, 1978. Kolakowski, Leszek 'Karl Marx and the Classical Definition of Truth', *Marxism and Beyond* London: Pall Mall, 1969. Korsch, Karl *Marxism and Philosophy* London: New Left, 1970. Murray, Patrick *Marx's Theory of Scientific Knowledge* New Jersey: Humanities Press, 1988.

¹⁷ Althusser, Louis 'The object of *Capital*' in *Reading 'Capital'* edited by L. Althusser and E. Balibar, London: New Left, 1970.

end up by concluding that all which matters concerning a scientific theory is its usefulness towards promoting action.¹⁸ What does not have to matter in the least to accept this complete emptying of scientific cognition, is that the action thus based can be anything but an action aware of its cause. We are dealing with an action that sees itself having no other aims than those it abstractly ascribes to itself.

As a last resort, Marxist theory vindicates practice itself as the instance that renders the verification of hypotheses possible.¹⁹ Unfortunately, the realization of this verification presupposes the previous realization of the action. This position implies by itself that there was no way of knowing if the theory was true or false in the very moment that the action was performed; that is, when cognition really matters. Likewise, this fact uncovers the vacuity of the attempt to overcome the impossibility of verification by alleging that scientific theories are not 'predictive' but 'explicative.'²⁰ Thus pushed beyond any hope, Marxist theory tries to conceal this fact attributing the potential of verification, not to each concrete singular practice but, to an abstract social practice. Theory is verified, we are told, in the historical development of the transformation of reality accomplished by society on its basis.²¹ Of course, any other ideological representation, e.g. religion, can make the same claim in its favor.

Of the critical intention merely remains the assertion that, just as the restraints to theory apply to natural science, the limitation of social theory to cognize reality insofar as it exists as a potency will asymptotically reach its resolution under socialism.²² Or, otherwise, it merely remains the assertion that the very necessity of scientific cognition concerning social forms will be extinguished in socialism, on representing the overcoming of alienated consciousness as the possibility of wholly cognizing these forms in an immediate way;²³ as if socialism were not the supersession of the form of social organization which, in turn, has precisely emerged from the insufficiency of immediate cognition to carry out that organization. Thus, in both cases, the alleged critique even surpasses the modern successors of positivism when the time comes to elude the questions that today emerge in concrete practice from the non-verifiability of theories, by presenting these questions as matters of pure scholasticism.

In a nutshell, the point is that scientific theories cannot go beyond interpreting reality in different ways.²⁴ They are but ideologies. However powerful an action based upon a theory may be in its mission to transform reality, it is in itself the denial of the action which thoroughly cognizes its own necessity beyond any appearance, insofar as it is based upon an interpretation. No wonder theoreticians themselves end up condemning scientific knowledge, as a consequence of its logical method itself, to the field of 'exhausted utopias', of 'emancipating grand narratives';²⁵ or, worse, to the field of the attempts of 'totalitarian domination,' aimed at oppressing human freedom.²⁶ This happens to the extent that the belief

¹⁸ Wolff, Richard and Resnik, Stephen *Economics: Marxian versus Neoclassical* Baltimore: The Johns Hopkins University Press, 1987.

¹⁹ Carchedi, Guglielmo *Class Analysis and Social Research* Oxford: Basil Blackwell, 1987. Negri, Antonio *Marx Beyond Marx: Lessons on the 'Grundrisse'* Massachusetts: Bergin and Garvy, 1984.. Thompson, E. P. 'The Poverty of Theory' *The Poverty of Theory & Other Essays* London: Merlin Press, 1981.

²⁰ Bhaskar, Roy *Reclaiming ...*, op. cit..

²¹ Habermas, Jürgen 'Teoría ...', op. cit..

²² Gramsci, Antonio *Quaderni ...*, op. cit..

²³ Cohen, Gerald *Karl Marx's Theory of History: A Defense* Oxford: Clarendon, 1978.

²⁴ Habermas, Jürgen, "Teoría analítica de la ciencia y la dialéctica" in Popper, Karl, Theodor Adorno, Ralf Dahrendorf y Jürgen Habermas, op. cit., p. 86.

²⁵ Lyotard, Jean-François, *La condición postmoderna*, Editorial REI, Buenos Aires, 1989, pp. 73 y 76-77.

²⁶ Durand, Jean Pierre, "Can we make our own history? The significance of dialectic today", *Capital & Class*, 62, 1997, pp. 143-158.

that the ideological determination of all scientific cognition must be taken for granted currently passes for the most unquestionable historically conscious criticism of its present general form.²⁷

The contradiction is obvious. Any interpretation of a real determination is in itself the denial of the knowledge of that determination that has transcended every appearance; the interpretation of one's own need is the denial of its complete objective cognition. But the general conscious organization of social life entails that the objective knowledge held by each of the members of society about his/her determinations as such, transcending every appearance, becomes the general social relation. Therefore, as much as scientific cognition is condemned to interpretation, so the general conscious organization of social life is condemned to impossibility. In other words, as much as scientific theory is the final form of scientific cognition, so socialism/communism is condemned to impossibility. Even the most blatantly apologetic cretinism of capitalism has nothing further to request: from the mouths of the true representatives of scientific method comes the utterance that this very same method declares that 'the end of history' has been reached, that 'the future is already here.'

In addition, as scientific knowledge has been reduced to an ideological conception whose specificity lies in its repressive and authoritarian power, antiscientific irrationality and fragmented sight begin to earn praise as the liberating resistance that 'desire' opposes to oppressing knowledge²⁸. Theoretical representation opposes the very denial of totally free action -i.e., the free interpretation of reality²⁹- to the transforming power of totally free action -i.e., of the action that is aware of its own determinations beyond any appearance- as the consummation of human freedom. In scientific theory, ideology manifests itself in the form of its opposite, namely, scientific method.

The reproduction of the concrete in thought, i.e. dialectical cognition

The critique of scientific theory has no way of taking shape in the formulation of a new logical paradigm. In other words, the critique of the current universally dominant science does not take shape in the construction of a new theory, but in the production of a new form of objective cognition that supersedes scientific theory itself. Thus, it is not about conceiving a new representation of reality, condemned by its sole condition as a form of representation to follow a constructive necessity alien to the real one, to follow a logic.

What is to be done then? There is only one step possible: we must face the issue itself of 'what is it to be done' in a radical way; that is to say, we must start by submitting to criticism the determinations of our own transforming action from its very roots, from the determination of our social being, putting everything into question.

The production of the scientific consciousness of the working class concerning its own historic potential is not a mere scientific matter. It is a necessary specific moment of the political action of the working class within in class struggle. As long as the scientific consciousness of the working class remains the prisoner of the same method that operates as the scientific consciousness of the simple production of relative surplus value -namely, of logical representation- it lacks the capacity to uncover that, in the capitalist mode of production, freedom is the concrete form of alienation. Certainly, the working class makes its revolutionary advances based on this consciousness in the process of centralizing capital as a

²⁷ Adorno, Theodor, "Sobre la lógica de las ciencias sociales", en Popper, K, T. Adorno, R. Dahendorf, J. Habermas, op. cit., p. 42.

²⁸ Foucault, Michel, *La arqueología del saber: las ciencias humanas en la episteme moderna*, Siglo XXI, México, 1997, p. 23.

²⁹ Rorty, Richard, *Philosophy and the Mirror of Nature*, Basil Blackwell, Oxford, 1980, p. 208.

direct social property. Moreover, insofar as this advance necessarily entails the advance in its liberation from the rule of the bourgeoisie, it appears to be the practical confirmation that the theories it uses to rule its action are the product of a purely free consciousness. Nevertheless, the same production of relative surplus value forces forward the continued development of conscious control on social labor. This drives the conscious action of the working class towards overcoming any limitation that could be imposed on that control by stopping short at an appearance. Sooner or later in this process, the working class finds out that it is impossible to continue advancing without uncovering its own free consciousness as the necessary concrete form of its alienation as an attribute of capital. It can only take this step by appropriating its own determination which it achieves by reproducing their necessity in thought. That is, when its action concerning the conscious organization of social labor needs to leave behind it the exteriority of logical representation to govern itself through the reproduction of the concrete in thought.

At the point when we intend to appropriate in thought the necessity of our action, we are faced with the object of this action as it actually is for us in that moment: something external. We therefore are faced with our object in its immediate exteriority. We overcome the appearance of this immediate exteriority as we advance through the abstract forms of our object. The analysis pertinent to scientific theory separates the abstract forms according to their degree of repetition, therefore stopping at their exteriority. On the contrary, the analysis that is going to support the reproduction of the real necessity in thought separates the concrete form that we face from the necessity that it carries within itself as the other-one whose realization determines it. That is to say, it takes shape by discovering the abstract form (and as such, a necessity to be realized) within its concrete form (and as such, a necessity already realized). Given this form, the analysis cannot cease until it reaches the real form that does not carry in itself an other-one from which its necessity arises, but which is, by itself and not by an other-self, the need to negate itself as abstract existence in order to affirm itself as concrete existence. That is to say, until we face matter simply as such.

The return towards the concrete forms following the analysis that has come to a halt in the externality of the abstract forms unavoidably takes shape in the addition of the non-repeating -and consequently previously excluded- forms to the representation. This process lacks any necessity to follow other than the purely constructive one dictated by its logic. Hence, the inevitable externality of its result with regard to the real necessity that the action aims to realize. On the contrary, the reproduction of reality in thought advances by following the development of the necessity that the simplest abstract form carries within itself. As soon as this abstract form realizes its necessity, i.e., it affirms itself as an abstract form, it negates itself as such an abstract form in order to affirm itself as a realized necessity, i.e., as a concrete form. But this concrete form immediately negates itself as such, by affirming itself as a form that carries in itself a necessity to be realized, i.e., as a new abstract form. Thus, we follow in thought our real object as it unfolds its development. This reproduction of the development of real necessity by means of thought is unable to get to its end before reaching a form whose necessity as a potent power takes our transforming action -determined as an action that has needed to follow this path all along in order to become a conscious action- as its necessary form of realizing itself. That is, the reproduction in question is unable to get to its end until our action can discover its own concrete form as a conscious action, i.e., can discover itself, as the necessary concrete form of the realization of the real potential at stake. Due to the form of its method the ideal reproduction of reality is determined as dialectical cognition.

Science, i.e., the production of the objective consciousness, is thus carried out in a concrete form that immediately corresponds to its content: it has no room for necessities other than those purely inherent to its object. Therefore, when it is developed by the alienated

subject, it unavoidably faces the latter with the evidence of his/her own alienation, whichever the appearance of abstract free subjectivity he/she has started from. Hence, the development of scientific cognition as the way of governing the transformation of present society into that of freely associated individuals is the critique of scientific theory.

The science of capital as the pure form of annihilating itself, namely, the science of the working class

The apparent separation between cognition and practice stems from the nature of the historical stage of humanity's development in which the regulation of the process of social metabolism by means of thought - the specifically human regulation of the process of social metabolism - is alienated, turning itself into a concrete form of the autonomous regulation of this process by the production of value. Only in this historical stage can scientific cognition appear denying its true immediate condition as the necessary form taken by the regulation of conscious action. Moreover, scientific cognition can even appear as the very denying of action, as its abstract opposite, in other words, as theoretical cognition. In the very form of its method, that is, as *dialectical cognition*, the reproduction of one's own necessity by means of one's thought immediately shows itself excluding all appearance of externality in relation to the action that it sustains. It shows itself, therefore, as what it is: the regulation of such action, that is to say, a specific portion of this action and, consequently, this action itself. Scientific research thus overcomes all appearance of being the abstract opposite of practice, to affirm itself as *practical criticism*.

Since it begins, unavoidably, by discovering its own historical condition as an alienated consciousness, dialectical consciousness can only be a product of capital inasmuch as the latter needs to annihilate itself through the conscious general organization of the social metabolism. Therefore, dialectical cognition as practical criticism can only arise as the immediate expression of the general interests of the working class; namely, as the expression of the latter's power to abolish itself as a class by constituting the society of freely associated individuals. Only inasmuch as it expresses this necessity is dialectical cognition able to advance upon the immediate concrete forms of the political organization of privately-performed social labor and of the transformation of natural forces into human instruments. Nevertheless, when it does so, it brings to these fields the revolutionary powers it obtains from its very historical reason of existence.

Given its primary determination, the production of dialectical consciousness initially has to take the form of a political action of the working class immediately aimed at this self-same production. Hence -from the viewpoint of capital ideologists, obliged to conceive of any form of scientific production as a process of logical representation- the production of dialectical consciousness seems to begin as a process of abstract theoretical production. Nevertheless, dialectical consciousness can only count on a single object in order to advance, even to take the first step in its development, namely, the action of the working class in its struggle against the capitalist class in order to express the immediate necessities of social capital. Therefore, the concrete object from which the development of dialectical consciousness must needs start in order to produce itself, makes this same immediate end inseparable from the true end of dialectical consciousness in present-day society: the general conscious organization of the action of the working class in the class struggle through which the capitalist mode of production annihilates itself in its own development. Far from being an abstract theoretical production, the production of dialectical consciousness, i.e., the conscious organization of one's action by reproducing its necessity in thought, is always, given the unity of its form and content, a product of the concrete political practices of the working class.

As a concrete form of the general social relation, the conscious organization of social life performed by dialectical cognition is necessarily a task for the collective laborer who is politically delimited by the advance in the transformation of his/her environment into a means for him/herself based on this same organization. This collective laborer only affirms him/herself in his/her unity as such with respect to the process of knowledge as long as all of those members in the collective process reproduce the whole of the necessity of each one's share in the collective action that, as such a member, he/she is going to perform. Consequently, there is no way for the collective laborer to include within itself the separation between the organization and the fulfillment -in a restricted sense- of each action; in other words, there is no way for the collective laborer to include within itself the separation between the knowledge of the necessity of the action and the execution of the action itself. In brief, the action governed by the form of dialectical cognition is the actual abolition of the separation between intellectual labor and manual labor.

Today, the action governed by dialectical cognition is a necessary concrete form of capital. In turn, capital is the very denial of the consciously organized process of social metabolism. Nevertheless, because of its mere objective form, dialectical cognition embodies, as its own necessity, that same necessity inherent in the process of consciously organized social metabolism: the necessity of being the product of freely associated individuals. Though, in the capitalist mode of production, individuals lack any way to become actually free other than by having an alienated consciousness that negates its own alienation; i.e., as the negation of the negation of their freedom. Even as the form of dialectical cognition necessarily determines the social subject able to develop it as an alienated subject which, due to its awareness of its own alienation is therefore free, this cognition makes evident that it is only a power of capital insofar as it bears its own annihilation through the development of the material conditions for the general conscious organization of society as a historical necessity. Only because it is thus determined by its specific form of reproduction in thought of reality as a class product, as the science of the working class, does scientific cognition free itself from any ideological determination.

Marx's advance towards conscious revolutionary action

Marx's *Capital* is in itself the development -performed for the first time and objectified in a way that enables its social reproduction- of the alienated consciousness of the working class that produces itself as an alienated consciousness aware of its own alienation and of the historical powers it derives from it. In *Capital*, this consciousness develops to the point where it reaches its general determinations concerning the revolutionary action of the working class in which the historical powers in question realize themselves, thus producing the material conditions for the conscious -therefore, free- organization of social life.

From Marx on, any process of cognition of this kind concerning social forms over which we need to act in a revolutionary manner is, in what is thus determined as its general part, a recognition process from the social point of view. Still, we can very well say that it is not about *reading Capital*; nor even about *studying* it. The point is to face capital's real forms by ourselves to ideally reproduce them, with the potency we acquire by having at our disposition their ideal reproduction developed in *Capital*. Actually, the development by oneself of this task is the only critical way to recognize the original specificity of Marx's procedure concerning scientific method. Any other way implies an attempt to unfold the real necessity that is present here in a mode external to it; therefore, it implies to represent this necessity.

While he develops the ideal reproduction of capital's necessity, Marx stresses the specificity of the method he has discovered, in his well known remarks on scientific procedure. For instance:

It is, in fact, much easier to find by analysis the earthly core of religious mistiness than, conversely, from the real relations of life at each moment, to develop their celestial forms. The latter is the only materialistic and, therefore, scientific method.³⁰

Of course, Marx's most famous comment on the matter is the so frequently quoted one where he directly describes the research method and defines its result as the reproduction of reality in thought:

The concrete is concrete because it is the synthesis of multiple determinations, therefore, the unity of diversity. It appears in thought then, as a process of synthesis, as a result, not as a point of departure, although it is the true point of departure, and, therefore, as well, the point of departure of intuition and of representation. In the first path [the analysis], the sheer representation was condensed to abstract determination; in the second one, abstract determinations lead to the reproduction of the concrete by the path of thought.³¹

Nevertheless, Marx does not get to develop the specific difference between this scientific cognition that ideally reproduces the real necessity and theoretical cognition, that only represents it. In other words, he does not get to face this ideal reproduction as the critique - the supersession - of scientific theory itself. This happens to the extent that he refers to his own scientific works and discoveries as being of a theoretical nature. Certainly, in Marx's time scientific theory had not yet got to unfold its ideological determination as an apologetics of capitalism, no longer for its potency but, for its lack of potency to transform nature in full cognition of cause; that is to say, scientific theory did not yet need to boast about its own limits to consecrate the impossibility of the conscious regulation of social life. Marx was then able to advance for the first time in the ideal reproduction of the real forms of capitalist society until discovering its historical character, without confronting the necessity of making explicit the specific difference between that reproduction and theoretical representation, inasmuch as this difference embodies in the form itself of one and the other cognition process. Still, the sole materialization of this advance violently pushes scientific theory towards the exhaustion of its capacity for self-criticism in the complacency with respect to its own impotence. Today, the organization of the conscious revolutionary action of the working class immediately presents the form of the critique of scientific theory.

What does Marxism have to say about the specificity of the method discovered by Marx? We can hardly find a more expressive synthesis than Lenin's non less widely quoted assertion 'If Marx did not leave behind him a "Logic" (with a capital letter), he did leave the *logic of Capital*.'³²

³⁰ Marx, Karl, *Das Kapital*, Band I, Ullstein Verlag, Frankfurt, 1980, author's translation.

³¹ Marx, Karl 'Einleitung [zu der "Grundrissen der Kritik der politischen Ökonomie"]' *Marx/Engels Ausgewählte Werke*, Vol. II Berlin: Dietz Verlag, 1985, author's translation.

³² Lenin, V. I. 'Philosophical Notebooks' *Collected Works* vol. 38 Moscow: Foreign Languages Publishing House, 1961.

Let us briefly unfold the point once more. Reality, matter, has the self-affirming by means of self-negation - the necessity of self-determining, contradiction - as its general form. Hence, each natural concrete form (and therefore, each natural form specifically developed as a social one) is the realized necessity of its abstract forms in their becoming, from the simplest one (matter as such), to one that negates itself as such concrete form (realized necessity) affirming itself as a potency (a necessity to be realized). Cognition is the way in which a subject regulates the realization of its own potency as the necessary concrete form of realizing a potency inherent in its environment, by appropriating these two potencies in their virtuality as purely such potencies. The subject of the cognition by means of ideas always starts by facing its object as something external to itself as such subject. Under its simplest form, this cognition reaches the necessity of the subject's own action just insofar as this one virtually manifests itself to the subject's mind as an immediate link between the mutual necessity of the subject and the object. Consequently, such form of cognition does not go beyond the very exteriority of the subject and of its object. It is determined, thus, as *immediate* ideal cognition. This cognition develops into cognition by means of thought when the subject goes beyond the immediate concrete forms to discover their necessity as realizations of their abstract forms. Nevertheless, on performing this advance, the subject comes up, first of all, against the exteriority of the abstract forms themselves; that is to say, the subject starts by ideally facing the abstract forms in what these forms have of realized necessity, under their appearance as purely concrete forms. From which, the appropriation of a real necessity in thought takes its most primitive specific form by ideally placing by itself in a causal relation the real forms (abstract and concrete ones) starting from the way they present themselves to it; that is, by mentally conceiving links among the real forms on the basis of their exteriority; and, therefore, independently from their necessity. Cognition becomes a mental construction that follows a causality alien to the real one: the ideal *representation* of reality. Logic is the scientific general form of this mental necessity. The appropriation in thought of the real forms in their virtuality transcends the exteriority of these forms by ideally accompanying them in the unfolding of their real necessity. In this way, scientific cognition mentally reproduces their real concatenations, thus taking the form of an ideal *reproduction* of reality. This cognition has no way of proceeding other than by making each real concrete form account for the necessity that it carries in itself as an already realized one, and each abstract real form, for the development of the necessity to be realized which it is.

Reality simply is the self-affirming by means of self-negation. Dialectical cognition, *dialectics*, is the method for virtually appropriating this contradiction that reality is, by following its development with our thought. Seen the other way round, dialectics does not belong in reality but in human cognition of reality; or, rather, it belongs in reality, in matter, in what this one takes its specific form of human cognition. This same condition applies to logic. Still, while the former can only take shape following the development of the necessity of a concrete real form, the latter necessarily has to take an autonomous incarnation as a condition for representing any concrete real form. Hence, any attempt to call the ideal reproduction of reality a logic, even runs into a formal impossibility: the absence of an independent body of ideal relations able to receive such a name. To pretend that logic remains effective in the ideal reproduction of reality, it is necessary to abstract it from its formal and historical determinations, turning it into a pure abstraction.

The certainty about the need of a logic to appropriate reality in thought inevitably implies that the real forms are taken as if they were incapable of being the realization of their own necessity, as if life were to be insufflated to them by the cognition process itself. Representations, whether on an idealist or a materialist basis, cannot avoid carrying in themselves this appearance. Let us look at it a little closer. To assert the need of a logical necessity to apprehend in thought any real form means, by itself, to assert that this real form

has no necessity of its own to be mentally followed: being there a real necessity, why should we appeal to a mental one instead of just following it through its development, with our thought? Hence, real forms appear as being unable to relate, to move, by themselves at the beginning of the representation process. But they emerge from this process overflowing with relations. Hegel just sticks to this appearance up to its end. He gives logic as its content, that is, as the content of the abstractly ideal necessity, the general form of the development in thought of the real necessity, placed not as the ideal reproduction of matter but as the development of the real necessity itself. Dialectics is thus inverted, appearing as the development of the Idea placed as the real subject that engenders matter. On doing so, Hegel pushed representation beyond its limits. The real necessity was laid there with its strength unchained, ready to be called into action. Naturally, standing dialectics on its feet after such inversion has nothing to do with entering ‘matter’ where Hegel writes ‘idea’ and vice versa.

Marx gives a first step in putting dialectics right side up by opposing to the claim of generality of Hegel’s logic concept, ‘the peculiar logic of the peculiar object’³³. ‘The peculiar logic of the peculiar object’ already excludes by itself the possibility for logic to take a general body as the ideal necessity that cognition must follow and, therefore, its possibility to exist by itself. And what can the ‘the peculiar logic of the peculiar object’ be, but the reflection in thought of the development of the real object’s own specific necessity? Nevertheless, Marx still has not completely developed here the distinction between the ideally produced necessity, the logic, that is, the discursive reason, that takes the place of the real causality in the representation and this real causality itself. It happens that Marx has not gone yet beyond the boundaries of philosophy; so much so, that he still identifies the abolition of the proletariat with the realization of philosophy³⁴. But, immediately after in the same year, 1844, Marx faces for the first time the economic determinations of capital as the alienated general social relation of present-day humanity. On doing it, he discovers for the first time in history the real necessity of philosophy as a concrete form of alienated consciousness and how Hegel has developed it to its end. Consequently, Marx does no longer criticizes logic for being a general ideal necessity that displaces a peculiar ideal necessity. He criticizes logic for being an ideal necessity itself that displaces the real necessity that has to be followed in thought to rule one’s conscious transforming action. That is, he criticizes logic for its very essence as a discursive reason that represents the real reason in thought, as the necessary form in which alienated thought takes shape:

In turn, the philosophical spirit is nothing but the alienated spirit of the world that thinks inside its self-alienation, that is, that captures itself in an abstract way. *Logic* [the pure *speculative thought*] is the *money* of spirit, the speculative, the *thought-out value*, of man and of nature; its essence that has become completely indifferent to any real determination and which is, therefore, unreal; it is the alienated thought that hence abstracts from nature and the real man; the *abstract thought*.³⁵

A little later, in 1847, Marx develops the specific critique of dialectical logic, showing step by step how this ‘absolute method’ starts from categories (that is, from the ideal

³³ Marx, Karl ‘Kritik des Hegelschen Staatsrechts’ *Marx/Engels Werke* Band II, Berlin: Dietz Verlag, 1965.

³⁴ Marx, Karl ‘Crítica de “La filosofía del derecho” de Hegel. Introducción’ *Obras fundamentales de Marx y Engels* Vol. I, México: Fondo de Cultura Económica, 1982 (‘Critique of Hegel’s Philosophy of Right. Introduction’).

³⁵ Marx, Karl ‘Pariser Manuskripte 1844’ *Texte zu Methode und Praxis*, II, Munich: Rowohlt Klassiker, 1966.

representation of the real forms) and unavoidably ends up by representing itself as the one who engenders the real forms (Hegel) or by succumbing to its own contradictions (Proudhon)³⁶.

Hegel's inversion is embodied in the form itself of the process of cognition; it is embodied in the conception of this process as a logical one. In fact, to proclaim logic as an inescapable condition for scientific cognition is nothing but to consecrate the idealist inversion, that prioritizes a mental necessity over matter's necessity. To say it once more, the question is not to give rise to a new logic, but to free science from it. Precisely what Marx has done. The claim for a logic in *Capital* is a contradiction in terms. This is something that Marx himself remarks in his comments on Wagner³⁷. And, by the way, for the same reason there is not a single invocation in Marx to a dialectical logic, nor to a logic in general, there is not to dialectical materialism, to historical materialism or to other such *categories* either, that can only be used to *conceive* the real materiality and the real history as the corresponding abstractions.

Nevertheless, according to Marxism everything comes down to inverting dialectics again just by turning into a common place the representation of its development accomplished by Marx as its opposite, as if it were the development of a *dialectical logic*.

Engels points out how Marx made clear he was not a Marxist.³⁸ Considering what they call themselves, we must assume that Marxists can only see in Marx's assertion an expression of insincere modesty, or of his sense of humor, as Althusser wants to.³⁹ It happens that, opposite to Marx, *they really are* Marxists. As its very name shows, *Marxism* is the conception of the *reproduction* in thought of the specificity of present-day society - originally developed by Marx - as a *representation* of this specificity; and, hence, the representation of dialectical cognition as a *conception of the world*, as a *system of thought*. In brief, it is the degradation of the integral cognition of one's own necessity to an *interpretation* of reality and, therefore, to an *ideology*. The stage is reached where the point is turned into interpreting the world by interpreting Marx in different ways. It is not surprising then, that even though Marxism is always willing to point out the historical nature of capitalism and its concrete forms, the idea that scientific theory is one of these never crosses its mind. It is unable to recognize that, as it is a form of consciousness, scientific method is a social relation and, as such, a historically specific form. As we have already seen, it happens that in scientific theory, ideology takes the form of its opposite, of scientific method.

Thus, like any other scientific theory about present-day social forms, Marxism shows its own necessity insofar as a concrete form of alienated consciousness by representing itself as the abstract negation of alienated consciousness, as an abstractly free consciousness. But here it is where dialectic materialist logic shows the *raison d'être* for its specificity, for representing the simplest real determination, the self-affirming through self-negation, as the unity of two immediate affirmations mutually opposed and, therefore, for representing the existence of the concrete forms as abstractly opposed to their own determination. Marxism does not represent itself just as an abstract free consciousness, but, by invoking dialectical logic, it represents itself as the abstract free consciousness placed by itself as the opposite pole of the consciousness alienated in capital. Marxism does not see itself as being the opposite of alienated consciousness for recognizing itself as a form of existence of capital; on the contrary, it sees itself as the absolute realized negation of capital, as a social form whose necessity is external to capital. From this point of view, capital's historically immanent

³⁶ Marx, Karl *The Poverty of Philosophy* New York: International Publishers, 1963.

³⁷ Marx, Karl 'Notes on Adolph Wagner' *Karl Marx: Texts on Method* Oxford: Basil Blackwell, 1975.

³⁸ Letters to E. Bernstein dated 2-3/11/1882 and to C. Schmidt dated 5/8/1890.

³⁹ Althusser, Louis, *La filosofía como arma de la revolución*, Cuadernos de Pasado y Presente 4, Córdoba, 1972.

necessity of annihilating itself in its own development, that determines the working class as the necessary personification of this annihilation, comes down to an action external to that development itself. And, consequently, the performer of this action comes down to an abstract opposite of capitalism that, at best, has its necessity related to this one's as its absolute realized negativity, to the working class that reacts in self-defense against capitalistic misery and oppression.

As a result, the revolutionary realization of socialism/communism does no longer appear as what it is, as the realization of the historical necessity of the general regulation of the present-day process of social metabolism (and therefore, as the ruling itself of this process in action), as the realization of the historically own necessity of today's general social relation. On the contrary, the working class' revolutionary action sees its necessity degraded to the realization of 'right', 'justice', or 'equality' as opposed to capitalist 'unnatural' injustice and exploitation;⁴⁰ to the realization of the 'dialectics of ethnicity';⁴¹ to the 'increase of an internal self-determination or self-morality';⁴² to the fact that the mere antagonistic relationship that exists between the exploiters and the exploited in class struggle engenders an abstract accumulation of experience;⁴³ to the 'autonomy' achieved by class struggle with respect to its determination as the necessary concrete form of the socialization of private labor;⁴⁴ to the 'autonomy achieved by the working class' consciousness with respect to capital, be this -in relative terms- by means of the production of a revolutionary 'doctrine',⁴⁵ or by means of its 'self-valorization';⁴⁶ to the 'democratization' of capitalism through the apparent standoff between an abstractly free consciousness and an abstractly alienated consciousness by means of 'market socialism';⁴⁷ to the production of a working class consciousness able to develop itself by itself beyond the exhaustion of the development of productive forces;⁴⁸ to the need to avoid 'barbarism' vis-à-vis the mechanical impossibility of capital reproduction;⁴⁹ to the resistance of the laboring surplus population in its desperate struggle to survive. In brief, the working class' revolutionary action sees its necessity degraded to a collection of abstractions that cannot but ideologically reflect the alienation of human potencies as capital's potencies, but that are represented as being so naturally eternal that the society freed from all alienation could only be realized through them.

Opposite to this naturalization of an abstractly free consciousness, the point is the conscious organization of the revolutionary action of the working class through which capital realizes its necessity of annihilating itself into the general conscious organization of human

⁴⁰ Bernstein, Eduard, *Evolutionary Socialism: A Criticism and Affirmation* (Spanish edition: *Socialismo teórico y socialismo práctico. Las premisas del socialismo y la misión de la social democracia*, Editorial Claridad, Buenos Aires, 1966). Laclau, Ernesto and Chantal Mouffe, *Hegemony and Socialist Strategy: Towards a Radical Democratic Politics*, Verso, London, 1985.

⁴¹ Habermas, Jürgen, *Knowledge and Human Interests* (Spanish edition: *Conocimiento e interés*, Taurus Ediciones, Madrid, 1982)

⁴² Mezaros, István, *Marx's Theory of Alienation*, Merlin Press, London, 1986.

⁴³ Lukács, Georg, *History and Class Consciousness* (Spanish edition: *Historia y conciencia de clase. Estudios de dialéctica marxista*, Editorial Grijalbo, México, 1969)

⁴⁴ Holloway, John, "The Great Bear: Post-Fordism and Class Struggle", Werner Bonefeld and John Holloway (eds) *Post-Fordism & Social Form: A Marxist Debate on the Post-Fordist State*, Macmillan, London, 1991.

⁴⁵ Althusser, Louis, *For Marx* (Spanish edition: *La revolución teórica de Marx*, Siglo XXI Editores, Buenos Aires, 1968)

⁴⁶ Negri, Antonio, *Marx au-delà de Marx*, Christian Bourgois Éditeur, Paris, 1979.

⁴⁷ Schweickart, David, *Against Capitalism*, Cambridge University Press, New York, 1993. Roemer, John, *A Future for Socialism*, Harvard University Press, Cambridge, MA, 1994.

⁴⁸ Trotsky, Leon, *The Transitional Programme for Socialist Revolution* (Spanish edition: *El Programa de Transición*, Ediciones Política Obrera, Tigre, s/f)

⁴⁹ Luxemburg, Rosa, *The Accumulation of Capital* (Spanish edition: *La acumulación de capital*, Editorial, Buenos Aires, 1968)

life. Therefore, the point is to produce an alienated consciousness that is aware of its own alienation or, in other words, to produce an alienated consciousness, indeed, but one that is only such insofar as it is the negation of the negation of free consciousness. The advance in the production of this consciousness is the concrete political task of the working class that expresses its general historical interests. Moreover, this production is, in itself, the process of the determination of the forms that correspond to the organization of the political party of the working class that directly bears the power of the capitalist mode of production to overcome itself.

As Marx shows, the point is not to interpret the world. The point is that the transformation of the world in question is the development of the conscious organization of the process of social metabolism, and, therefore, the supersession of interpretation itself. Above all, the scientific critique of scientific theory is the development of the organicity of the working class' revolutionary action.

**Transformations in capital accumulation:
From the national production of an universal labourer
to the international fragmentation of the productive subjectivity
of the working-class**

Juan Iñigo Carrera

Buenos Aires, 2002

**CICP
CENTRO para la INVESTIGACION
como CRITICA PRACTICA**

jinigo@inscri.org.ar

**Transformations in capital accumulation:
From the national production of an universal labourer to the international
fragmentation of the productive subjectivity of the working-class**

Juan Iñigo Carrera

1. The starting point

The revolutionary action of the working-class needs to organise itself through the awareness of its concrete determinations. Since we are focusing on a process characterised by international integration and fragmentation, it could seem that the most concrete approach is that circumscribed to the economic policies that prevailed in the different national processes of capital accumulation involved.¹ Still, this approach ends up by bringing down all historically-specific necessity to the immediate action of those that personify capital. Thus, apologetics of capitalism presents national capitalists and state-bureaucrats as the social subjects whose abstract will rules the historical movement.

Opposite to this sterility it could seem that the starting point lies in capitalism's global unity, once this unity is represented as the movement of accumulation regimes, their rise, 'failure' and fall. Still, then, the subject of historical change seems to have vanished, as if this were 'a process without a subject'.² Once again, abstraction has displaced the concrete.

It could seem, then, that the answer lies on circumscribing the global unity of accumulation to its concrete manifestation: class struggle. Still, considered in itself, class struggle comes down to a series of confrontations in which, now the working-class prevails and advances, now it is defeated and retreats, at the rhythm imposed by the development of working-class consciousness. Thus, consciousness appears as that which determines by itself the working-class as an historical subject.³ Even the most concrete form is turned into an abstraction when it is separated from its determinations.

Human natural history consists in the history of the transformation of the material conditions of social life through labour. The development of the human being as a historical subject is but the development of its capacity to act in a conscious and voluntary way over the rest of nature, to transform it into a means for itself. In other words, it is the development of human productive subjectivity. This development is the only concrete materialistic, and therefore the only scientific⁴ starting point to produce the consciousness about any historical movement. Therefore, this will be our starting point here, to unfold the concrete determinations of the current transformations of capital accumulation and its present crisis.

Machinery and productive subjectivity

The accumulation of capital based on the production of relative surplus-value through the machinery system transforms the materiality of the labour-process. It gradually ceases to consist in the application of labour-power upon the objects in order to transform them. Rather, it turns into the application of labour-power to scientifically control natural forces and to objectify this control in machinery, in order to automatically apply those forces upon the objects to transform them. Accumulation thus determines in three ways the productive

¹ See, for example, World Bank 1993.

² Hirsch 1991, p. 12.

³ Holloway 1991, p. 100.

⁴ Marx 1965, p. 373.

subjectivity of the labourers in large-scale industry.⁵ In the first place, it degrades the productive subjectivity of the labourers that still apply their labour-power to the direct transformation of the objects. It simplifies their work, turning them into the appendages of machinery or into detail labourers in modern manufacture. Secondly, it transforms an increasing part of the working-class into a surplus-population, thus directly depriving it of its productive subjectivity. Thirdly, it develops the productive subjectivity of the labourers in charge of advancing and exercising the scientific control over natural forces, enabling them to perform an increasingly complex labour.⁶

Accumulation under its classic national form

The accumulation of capital is a global process in essence, but a national one in form. Let us start with the countries where accumulation presents the concrete national form that most immediately reflects the unity of its essential determinations (hereafter, ‘classic countries’): Western European countries and the USA. During the 19th century and through the first three-quarters of the 20th century, capital accumulation presented a noticeable tendency concerning the reproduction - therefore exploitation - of labour-power. The labour-power whose productive subjectivity underwent degradation and the one whose productive subjectivity expanded tended to be reproduced jointly and under relatively undifferentiated conditions. This unity had a general technical basis.

The labourers of degraded productive subjectivity lack the opportunity to develop any skills in their labours. Still, the more complex the collective production processes that include their simplified individual labours become, the more they demand the application of universal productive aptitudes whose development escapes from the mere practice of those individual labours. Likewise, these labourers must be able to adapt themselves to any machinery imposed by technical change. Therefore, capital needs to produce them as universal labourers before they enter production, however degraded their participation in it. And this previous formation needs to be extended inversely to the possibility of developing a particular productive skill in practice and directly to the frequency with which capital forces the workers to move from one task to another. In addition, the intensity of labour imposed by the pace of

⁵ As it modifies the materiality of the labourers’ productive subjectivity, capital modifies the scope and content of their consciousness. It is not that the labourers’ consciousness is functional to capital. Functionality would mean that the labourers’ consciousness arises beyond the capital-relation itself, and then, this externally formed consciousness adapts itself to capital’s needs. Contrary to this apparent externality, the labourers become really subsumed in capital through the production of relative surplus-value (Marx 1965, p. 510). Even as working-class, they are the attributes of capital (Marx 1965, p. 573), that produces and reproduces them as human beings, ie. as bearers of consciousness (Marx 1965, p. 578). Their consciousness is inverted - under the appearance inherent in circulation that they are free individuals - into the powers of capital, ie. of their own objectified general social relation that has become the alienated concrete subject of social life. The revolutionary action of the working-class is the necessary concrete form in which the above-mentioned constant revolution in the materiality of the labour-processes - that concurrently entails their direct socialisation - develops its necessity to be organised as a direct social power that transcends the boundaries of its capitalist private form. Therefore, this revolutionary action is the necessary concrete form through which the capitalist mode of production realises its historical necessity to overcome itself through its own development by engendering the general conscious organisation of social life.

⁶ In *Capital*, Marx developed the first two subjectivities, but he referred to the third one only indirectly (eg. Marx 1965, pp. 386-87 and 508-09). Thus, a gap could seem to appear between the degradation and loss of productive subjectivity and the constitution of the working-class’ capacity to consciously organise social life. Yet, in *Grundrisse* Marx presented the latter subjectivity as the one whose materiality directly bears the necessity of capital to annihilate itself through its own development. (Marx 1973, pp. 704-07). In Marx’s time, the subjectivity in question was only just starting to develop. Nowadays, accounting for its development is the key to any revolutionary program of the working-class (Iñigo 2000b).

machines and by the scientific improvement in the manufacturing division of labour requires a shorter working-day.

In turn, the production of labour-power that bears an expanded subjectivity is based on the production of a scientifically structured productive consciousness.⁷ Therefore, it is based on the expansion of the universality of the labourers' productive attributes. These labourers require a longer universal and particular scientific formation of their labour-power before being able to enter production. However, this labour-power only achieves its complete maturity after several years of being actually applied. In the early 19th century, English capital optimised its valorisation by exploiting workers whose natural lives it exhausted in thirty years. Nowadays, the labourers bearing the most developed productive subjectivity, the scientists, only become mature enough to produce surplus-value when they reach this age. Hence, capital needs to extend their useful-life, to dilute their training costs and to fully exploit their aptitude to perform complex labour. The conditions needed to achieve this extension extend the labourers' natural lives beyond the exhaustion of their productive attributes. Besides, it becomes a cost for capital when the labourers lose their productive aptitude because of illness or circumstantial unemployment. The value of labour-power thus includes pensions, medical assistance and unemployment compensations.

The expansion of productive subjectivity does not lie on the multiplication of either handicraft skill nor physical strength. It concerns, above all, the development of the labourers' productive consciousness. It is about constantly pushing this consciousness beyond the limits reached by the control over the natural forces already objectified in machinery. The point is to develop the capacity of the labourers to make productive decisions by themselves in the name of capital. The consumption of use values that corresponds to the reproduction of this labour-power is consequently determined in quantity and quality. In turn, the intensity of labour involves the fixation of the labourers' attention in the process of productively deciding. This demands a shorter working-day.

Both the materiality of their labour and of their individual consumption reinforce in the consciousness of these labourers the appearance of being free individuals, who dispose of what is their own for an equivalent, in pursuing their self-interest. Hence, that unitary materiality reinforces the appearance through which the exploitation of the labourers as forced workers for social capital, paid by it with the product of their own former unpaid labour, and whose individual consumption is not for themselves but for capital, takes concrete shape in circulation. So much so, that the more these labourers develop their productive subjectivity, the harder they find to recognise themselves as what they are, namely, members of the working-class.

In brief, albeit rooted in the divergence of their productive subjectivity, the reproduction of both types of labourers converges towards a certain degree of relatively common universality.

During the above-mentioned period, the lower birth rate (that corresponds to the transformations in productive subjectivity), plus both the pace of capital accumulation and of the increase of its technical composition, the shortening of the working-day, massive emigration and periodic slaughters in war, ended up giving the local labouring surplus-population a peculiar appearance. It did not seem to transcend being a floating one, on a massive scale. And, in this case, social capital needed to maintain its productive subjectivity to place it back in action in due time. Thus, the illusion emerged concerning capitalistic

⁷ The divergent paths followed by the labourer's productive subjectivity directly reflect the historically-specific determination of the division between manual and intellectual labour when the social powers of labour are developed as the alienated powers of capital in large-scale industry. From the standpoint of productive subjectivity, this division is focused as it directly concerns the labourers' activity as the subjects of the labour process alienly ruled as a valorisation process.

accumulation having freed itself from its general law: that which makes the accumulation of social wealth in the pole of capital an accumulation of misery and degradation in the pole of the working-class.

Under these conditions, social capital found it cheaper to undertake the relatively undifferentiated and massive reproduction of the working-class that included the two opposed productive subjectivities. The general political representative of social capital, ie. the national state, was in charge of this task. The reproduction of labour-power thus acquired a specific expression: that of public education, health, pensions, unemployment insurance, housing, transportation, etc. Hence, the labourers reproduced themselves under conditions that individually reached them as an expansion of their equal rights as citizens of the nation. In this way, that which the working-class pays for with its own surplus-labour to reproduce itself as a forced labour-power for capital, and that it necessarily achieves by struggling against the bourgeoisie, appeared ideologically inverted as the gracious concessions that the 'welfare state' granted it.

Nevertheless, the inversion of the political forms on the basis of the relatively undifferentiated reproduction of the working-class through the direct action of the political representative of a national social capital reached a further expression yet. It did so as this reproduction converged with the necessity of reproducing the national process of capital accumulation through the centralisation of individual capitals as immediate units of national social capital and, therefore, as state capital. The most developed form of this inversion arose when the centralisation in question needed to reach the totality of the capitals that underwent valorisation within the country in order to start to realise its powers. This centralisation could only take the concrete political form of a social revolution that abolished the domestic private fragmentation of capital. In other words, it presupposed a social revolution through which the working-class and the peasantry expropriated the bourgeoisie and the landlords, and imposed the collective property on capital and land within the national boundaries. Yet, capital has not ceased to be such because it has been thus centralised. It goes on confronting those that are now its owners as an alien power that dominates them. The national state became then, not only its general political representative as social capital, but also the direct agent of its accumulation in production and circulation through its immediate movement as individual capital. Because of its political concrete form, this process realises itself under the appearance of being its very opposite, ie. realised socialism or communism. That is the case of the USSR.

The Appendix shows the evolution of the conditions of exploitation in the UK and the USA during the period considered, concerning real wages, length of the working-day, education and productivity.⁸

⁸ As it could be seen in the Appendix (albeit distorted by the inclusion of productive and unproductive labour for capital in the computation), the productivity of labour has been steadily multiplied throughout the development of great-scale industry. Insofar as this multiplication has taken place in the branches that directly or indirectly produce the means of subsistence for the workers, the values of these means of subsistence have been falling in consequence. Nevertheless, an important part of this cheapening has been sterilised as an immediate source of relative surplus-value. The individual capitals that introduced the technical innovations have appropriated in a normal way the extraordinary surplus-value that emerges from the possibility of selling below the social value but above the individual value, by individually putting into action a productivity higher than the social one. In turn, as the new technical conditions have been generalised and the social value has turned to be determined by them, the means of subsistence for the workers have become cheaper. Still, this cheapening has been significantly compensated by the necessity of a higher consumption of use values to reproduce labour-power with the productive attributes required from it by capital, given its new general technical conditions. At the same time, the increased intensity of labour that corresponds to these new technical conditions has been imposing the necessity to shorten the working-day in a significant way. Therefore, the increase in the surplus-value rate that the constant revolution in the productivity of labour potentially carries in itself has been restricted to the net balance between the cheapening of the means of subsistence, on the one hand, and the increased consumption of means of subsistence and the shortening of the working-day, on the other.

Handicraft skill in the machinery system and workers' political power

Along with the conditions seen thus far, the labourers whose productive subjectivity declines attained political strength from an historically-specific base to impose on capital their reproduction in conditions close to those of the labourers whose subjectivity expands. The labourers' handicraft skill still stood at the very core of the production based on the machinery system, ie. in the production of machinery itself. Capital had not yet freed its valorisation from it. The calibration of the machinery for serial mechanical production remained subordinated to the labourers' handicraft skill. The same happened regarding the assembling process, however much that skill came down to the simplest operations through the manufacturing division of labour. The assembly line was yet not a true machine; the eye-brain-hand unity still ruled the tools.

Concurrently, the scale of capital accumulation placed those labourers together at work in large masses. Furthermore, the very material conditions of their labour process, devoid of content and controlled in an openly coercive way, made them immediately confront capital as an antagonistic alienated power. The sum of these conditions directly gave the portion in question of the working-class the consciousness of precisely being working-class. Consequently, the direct mediation of its subjectivity in the production of machinery became a particularly powerful weapon in its struggle against the bourgeoisie to realise the value of its labour-power. Moreover, it led the reproduction of the rest of the labour-power bearing the same productive attributes but that was placed in a non-central place concerning the general productive structure of large-scale industry.

However, in a violently visible manner since the mid-1970s, the computerised calibration of machinery and the robotised assembly line - finally turned into a machine itself - revolutionised the production of machinery. Upon which, both automations revolutionised the general conditions of capital accumulation based on the machinery system. The productive subjectivity based on the labourers' handicraft skill started to be expelled from the production of machinery. As far as it remained there, it did so only by descending in its degradation as an appendage of the machinery. Conversely, capital needed to strengthen the development of the subjectivity able to advance in the productive control over the natural forces. This control had gone a step beyond as the only resource to increase the productivity of labour and, consequently, to produce relative surplus-value.

Capital thus deprived the first portion of the working-class of its specific source of political power. At the same time, it needed to reproduce the second portion with an expanded capacity to perform complex labour. Thus, capital doubly eased its necessity to produce the two portions under relatively undifferentiated conditions. Moreover, it needed to cheapen one, extend its working-day and shorten its preparation in a brutal way, whilst it needed to take the other down the opposite path. Still, it could not perform this divorce at once. Both portions reached this point coming from a common history: that of their relatively undifferentiated reproduction through the action of the national state that integrates their members as citizens bearing equal rights. It could seem that the national form taken by accumulation rose a barrier against it. Yet, that very form carried the solution within itself.

Latent labouring surplus-population and cheap degraded productive subjectivity

Outside the classic countries, an increasing portion of the peasantry had been displaced from production and transformed into a latent surplus-population by capital

accumulation. Its birth rate rose, to enable social survival over the weakened possibilities of individual survival. Thus, capital accelerated the expansion of this surplus-population from both ends.

The international separation between the active labouring population and the surplus one necessarily stems from the realisation of the global content of accumulation through independent national processes. The expansion of the labouring surplus-population to the point of characterising a country expresses the pure development of that content. Yet, capitalism apologetics inverts the relation between global content and national form. On doing so, it presents that expansion as if it were the result of the 'underdevelopment' of capitalism in those countries.

On internationally separating the active labourers from the latent surplus-population, the national form of accumulation politically fragments the working-class. On this basis, capital was able to break the barrier contrived by the history of relative productive universality conquered by the labourers in the classic countries. It did so by technically dividing the processes of production along national borders. The parts of these processes in which the expanding productive subjectivity dominates, tended to remain on this side of the border. On the other, the latent labouring surplus-population was turned into an active labour-power. Albeit, one which basically performed the tasks that require a productive subjectivity lowered to absolute simplification as an appendage of the machinery and as a detail organ in manufacture.⁹ The conditions in which this latter part of the working-class was exploited were no longer the concern of the national state where capital exploits the former. Now, they just came to concern the citizens of 'another country'.

Still, not all the latent surplus-population generated beyond the borders of the classic countries was equally apt as a source of labourers bearing a degraded subjectivity.

Capital had engendered a mass of latent labouring surplus-population in Latin America. Nevertheless, it still found it profitable to valorise itself there based on its association with landowners to appropriate the agrarian and mining differential rent. To gain access to this valorisation, capital needs to detach fragments of itself in the classical countries, to put them into action as small capitals of a magnitude specifically restricted to the scale of the internal market, in the countries where the rent is appropriated. Therefore, this modality of valorisation excludes production for the world market - beyond the commodities bearing ground-rent - from the latter countries, and limits the capacity to import from it.¹⁰ Hence, capital waited until this form of accumulation pushed surplus-population a stage forward, before turning it into a source of degraded productive subjectivity nationally differentiated.

In Africa, accumulation had turned former hunters-gatherers, shepherds and farmers of unirrigated lands into latent surplus-population. This population was not accustomed to large-scale collective labour ruled by a central authority. Since it was unfitted for its needs, capital just went on consolidating it as a surplus. Thus, capital even deprives it of its capacity to transform its environment into a means for itself through labour, sentencing it to death.

Quite different was the history of the latent surplus-population in East Asia. Former free peasants, harshly exploited via a strongly structured tributary and rental system, constituted it. This modality of exploitation had its general material basis in the presence of irrigated agriculture organised on a large scale. Hence, these peasants were used to intense, collective and disciplined labour, performed under their immediate responsibility as free individuals, but hierarchically ruled in a general way. Their history made them particularly

⁹ Fröbel, Heinrichs and Kreye 1980. However, labelling this separation a matter of 'core' and 'periphery' obscures its true content that arises from the differentiation of productive subjectivity. The so-called peripheral labour-power is as 'core' to present-day capital accumulation as any other.

¹⁰ Iñigo 2000a.

apt to be transformed into labourers able to function as appendages of machinery and in modern manufacture.

The national process of capital accumulation in Japan

The international division of labour according to the type of productive subjectivity prevailing in each country started to resort to the historical attributes of East Asian rural population before automation reached the point of imposing it.¹¹ The particular origin of Japanese labour-power here comes in. Contrary to the classic countries, the national working-class was not universally reproduced under the conditions imposed by the necessity to expand productive subjectivity. Rather, the expanded subjectivity was able to be produced even under the conditions that simply corresponded to the reproduction of the degraded one.

On this basis, simple labour already started to move from the classic countries to Japan in the 1950s. However, this displacement could not reach the labour that produced machinery itself. The material base that diluted the political strength of the labourers that performed it in the classic countries had not yet developed. The displacement could only start with a type of production where the handicraft skill of the labourers prevailed, but that lacked itself any essential role in the general development of the productivity of labour. Japan became, then, a large-scale producer of apparel and footwear for the world market.

Nevertheless, accumulation moved forward in the classic countries. Productive subjectivity became able to control the microelectronic processes. Then, it was not just a question of producing automatic machines where this control became objectified. It was about producing them by means of equally automated machines. Yet, to automate the calibration of the machinery and to robotise its assembling, the electronic components bearing automation had to be assembled first. Therefore, capital freed itself from the intervention of the labourers' handicraft skill in the mechanical processes of calibrating and assembling at the expense of resorting to a new manual labour process: the assembling of electronic components. This circumstance appeared to counterbalance the political weakening of the working-class in charge of simplified assembly labour. Still, capital had the international division of labour based on the history of each national labour-power at hand.

The assembling of microelectronic components constituted a new operation. Therefore, in the classic countries where the complex labour of research and development started to be performed, a collective labourer that amalgamated the latter with simple assembling labour had not been consolidated at this moment. Potentially, the working-classes of the classic countries could acquire new political strength were that collective labourer constituted within those countries. Yet, this constitution appeared to them as being a decision of capital. Hence, they faced their own potential political empowerment as an alien potentiality. Capital did not need to start by defeating the national unity of the collective labourer in question. It sufficed with putting the assembling of the microelectronic components in the hands of Japanese labour-power of degraded productive subjectivity, which was relatively cheap given its specific history. Furthermore, in Japan, this relative cheapness included the labour-power of expanded productive subjectivity too. Capital utilised the latter to perform research and development that completed the task of the new applied microelectronics collective labourer. This labourer had been finally constituted, based on the Japanese national specificity.

¹¹ It has been debated if it is about the social capitals of the classic countries imposing a new international division of labour or about the social capitals of the 'new industrialised' countries imposing themselves on the world market (Jenkins 1984). Both sides invert the necessary national forms through which the generic global unity of capital accumulation rules social production, by presenting them as the unity itself of accumulation.

Nevertheless, the production of automatic machinery includes a task that demands an expanded productive subjectivity plainly reproduced as such. This task involves the mental labour needed to create and develop the logical structures that control the flow of electronic processes itself. Its materiality specifically determines it as the attribute of labourers that reproduce their labour-power under conditions that feed in their consciousness the appearance of being abstractly free individuals. Therefore, it collides against the conditions of reproduction of a working-class whose specific productive powers arise from its immediate historical origin as a peasantry subjected to labour under a hierarchical and authoritarian rule. Furthermore, if this happens concerning the labour applied to the mere development of logical structures, with all the more reason it happens concerning the labour that develops the scientific capacity itself to advance in the control over natural forces, ie. basic science.

In Japan, research and development labour has been mainly aimed at the technological application of science. Such an immediate scope has manifested itself in the social organisation of scientific and technical production mainly through disbursements realised at the risk of individual capitals.¹² Any revolution in the productivity of labour stems from the development of basic science. Its pioneer application becomes a particularly powerful source of extraordinary profit. However, its productive results normally fall beyond the scope of individual capitals. The same occurs concerning the concentrated capital required for its development. Therefore, its general production is necessarily ruled via the direct disbursement of social capital through the state's political action. International fragmentation thus has even concerned the expanded subjectivity itself as the classic countries have tended to monopolise the above-mentioned labour processes.

Thus, by the mid-1970s, capital had already formed the collective labourers in charge of automating the calibration of machinery and its assembling as subjects fragmented by a first international division of the productive subjectivity of their members.¹³ Likewise, capital had also internationally fragmented the collective labourers in charge of producing the machinery itself. The productive subjectivity of the labourers that apply their handicraft skill to calibrate and assemble machinery had lost its critical intervention in the production of the machinery system. To the extent that capital continued to need it - and the very same automation multiplies this necessity by simplifying existing tasks and by creating equally simple new ones - it tended to be exercised by labourers reproduced in conditions that strictly correspond to their specific attributes.

Accumulation flourished in Japan, already including the production of machinery, cars, electronic equipment, etc. for the world market. The opposite occurred in the classic countries. The old fixed capital could no longer sustain valorisation. It was not just a question of technical obsolescence. Its inability stemmed equally from being located in countries where the value of labour-power corresponded to its reproduction with the relatively universal material and moral attributes that tended towards the general development of its productive subjectivity. The crisis of general overproduction detonated in the classic countries.

The fragmentation of the working-class within the classic countries

The reproduction of labour-power in the classic countries suffered substantial changes. Crisis threw labourers that worked in the now obsolete conditions into the industrial reserve army. This enabled the bourgeoisie to break the unity of the national working-class regarding the process of determining the value of labour-power. An increasing differentiation in the reproduction of the respective labour-power of degraded and expanded subjectivity replaced

¹² Okimoto and Saxonhouse 1987.

¹³ Jang-Sup Shin 1996, p. 113.

the tendency towards a relative universality. The latter tendency necessarily took shape through the political and trade union advances of the working-class. These advances were then expressed through the direct action of the national state that reached the bearers of different labour-powers as citizens bearing equal rights. The reversion towards relative differentiation took the opposite shapes.

Trade union power stepped back, unable to resist capital's charges to intensify the exploitation of the labourers bearing a degraded subjectivity. Of course, capital did not miss the opportunity offered by an increased industrial reserve army, to intensify the exploitation of the labourers bearing an expanded subjectivity too. Thus, while the average real wage (direct plus indirect) arrested its increase, the gap between high and low wages deepened. See the Appendix, particularly for the USA.

The retreat from the relative universality in the reproduction of the labourers of large-scale industry became specifically apparent through the political defeat of the working-class. Through crisis, the national state advanced on that which appeared as the equal rights of its citizens, imposing the individual capacity to pay for as their new expression. The reversion towards the separation in the reproduction of the different fragments of the national working-class took shape through privatisation¹⁴ and the reduction of public expenditure in health, education, unemployment, etc. If capital accumulation appeared thus far as being subjected to the 'intervention' of the so-called 'welfare state', its general political representation now appears as naturally inhering in the 'neo-liberal state' that worships 'the market'. Now the labourers have to reproduce their labour-power on the basis of a wage that individually corresponds to their specific productive subjectivity.

European and American social capital has introduced the differentiation in the conditions of reproduction and exploitation of the working-class even when its members are determined as equal citizens of the same national state. Nevertheless, it has needed to go further in deteriorating those conditions concerning the labourers of degraded productive subjectivity that it requires in the countries where the developed subjectivity prevails. To attain such a differentiation, it has needed to transplant inside the national ambit the separation between the two types of labourers on the basis of their different national citizenship.

In Europe, this differentiated integration has developed through the gradual formation of a new national ambit of accumulation - and hence of a new national state - that starts by integrating formerly autonomous national ambits in a supranational organisation. The European Union includes national working-classes bearing different histories with respect to their productive subjectivity. Under the political form of an extended equality among their citizens, some countries of the union supply relatively cheap labour-power to the capital located in others. At the same time, the relative dissolution of each national unity allows an exacerbated regional and local differentiation in the internal reproduction of labour-power. In the USA, the immediate co-operation of national labour-powers bearing different productive histories has taken shape through free-trade agreements that run over the geographically common borders: the NAFTA.

Above these particular forms, immigration is the consummate path for differentiated national integration. Immigration reproduces national boundaries as a difference of citizenship within the working-class that capital exploits within a country. Capital moves what is a latent surplus-population in its original country, to the country where it needs it as a labour-power bearing a degraded subjectivity that complements the local one, mainly reproduced to bear an expanded subjectivity. Far from acting as an egalitarian factor among the conditions to reproduce one and the other labour-power inside the same country,

¹⁴ Concurrently determined by capital centralisation beyond national spaces.

citizenship rises here as a justification for inequality. The miserable conditions in which the immigrants reproduce their labour-power politically appear as not being the concern of the receiving national state. They are not its citizens. Capital extremes the differentiation by resorting to the two-faced policies of massive illegal immigration. At the same time, racism, xenophobia, religion, etc. develop into the necessary concrete forms taken by the differentiated reproduction of both productive subjectivities within the same country.¹⁵

These transformations did not fit at all the capital absolutely centralised as a property of the working-class within the USSR. This capital could not detach fragments of itself to valorise them in another country without violently colliding with the appearance - necessary for its general valorisation - of being the supersession itself of the appropriation of surplus-value. Even domestically, this appearance would have been destroyed by the accelerated expulsion to surplus-population that such a detachment would have meant to the soviet working-class. Essentially, this type of national process of capital accumulation is restricted in its expansion beyond its borders to international trade, regardless if on a free basis or through direct coercion. Likewise, this capital cannot accumulate itself by deepening the differences within the working-class that owns it, violently pushing a part of it into disqualification and pauperism, while at the same time it increases the mass of use values received by the other part. The concentration of capital as a collective property inside the USSR had shown to be such a powerful modality to enhance the national process of capital accumulation as to place it second in the world scale. Still, now its turn arrived to crudely show its own limitations vis-à-vis the world character of the powers of the capitalist mode of production. It thus went down into a violent process of capital decentralisation and national fragmentation.

As this happened in the classic countries and the USSR, the reproduction of labour-power followed the opposite path in Japan. Accumulation exhausted the latent surplus-population. And the more labour-power becomes the product of accumulation itself, the more the conditions for the reproduction of the individual labourers are ruled by the attributes that correspond to their productive subjectivity as organs of the collective labourer of large-scale industry. The reproduction of the expanded productive subjectivity could no longer be based on the conditions that corresponded to the reproduction of the degraded one. At the same time, the national unity of the process of accumulation imposed the extensive and intensive expansion of the former subjectivity. The conditions for its reproduction became the ones that those corresponding to the degraded subjectivity tended to follow. The Japanese working-class advanced in its political and trade union struggle to improve the sale of its labour-power. See the Appendix.

New sources of latent labouring surplus-population

The automation of machinery and its robotised assembly are processes in constant progress. Consequently, they go on simplifying the labours performed as appendages of machinery and in modern manufacture. Simplified labours can be performed by further unskilled, therefore cheaper, labour-power. At the same time, the increased labour productivity and intensity achieved through them constantly cheapens the commodities produced in the automated plants compared with the similar ones produced by the labourers' handicraft skill. What once was a labour-power cheap enough to counteract the low productivity and intensity it rendered loses this attribute vis-à-vis the once and again increased productivity and intensity of the labour performed by a labour-power that formerly

¹⁵ Apparel industry synthesises this differentiation (Blumenberg and Ong 1994).

was too expensive. From both sides, accumulation imposes the constant relative cheapening of the labour-power bearing degraded productive subjectivity.

As soon as Japanese labour-power became relatively more expensive, capital started searching for a renewed national source of latent surplus-population that it could transform into an industrial army bearing a degraded productive subjectivity. Again, it found the specific history of the East Asian former peasantry to be particularly appropriate. By the late 1960s, the simplest labour processes started to move from Japan to Taiwan, South Korea, Hong Kong and Singapore. Again, apparel and footwear marched ahead.

International fragmentation of productive subjectivity and differentiation in the capacity to accumulate

To internationally relocate production, capital needs to move itself bearing a certain concentration. It must reach in its new location the scale required to compete by producing for the world market. Thus, the accelerated expansion of production had presupposed an accelerated accumulation and individual concentration of capital in Japan. Given this accelerated nature, plus that of being a national process of accumulation that confronted the classic ones on the world market, the unity of individual capitals as the aliquot parts of national social capital became visible with specific immediateness. That is, the Japanese state acted in a particularly visible manner as the direct agent of the accumulation of individual capitals. In turn, the same necessity to accelerate accumulation imposed an immediate unity between industrial and bank capital. Hence, the concrete forms taken by the accelerated accumulation in its unity as a national process became completely apparent in the Japanese case.

When the production based on cheap simple labour expanded to other East Asian countries, the concrete forms of accelerated accumulation shed new light on their specific contents. These contents became the basis on which each national process of accumulation has developed its own specificity. To begin with, in Taiwan, the expansion of production has been characterised by the proliferation of small capitals.¹⁶ The question that must be addressed is why, being about producing cheap commodities in large-scale for the world market, did capital fragment itself into individual units whose restricted scales normally mean higher costs?

Accumulation rules itself by determining individual industrial capitals as aliquot parts of social capital through the formation of the general rate of profit. Only industrial capitals bearing the scale needed to put in action the productivity of labour that determines the value of commodities actively participate in that formation. Industrial capitals that fall behind in the process of concentration are unable to go on autonomously operating as such. They are forced to become capitals lent for an interest. Nevertheless, they can delay this shift. The general rate of profit no longer rules their valorisation in an immediate way, but through the - normally lower - interest rate. Therefore, they can remain active as small industrial capitals insofar as the lower concrete rate of profit that immediately rules their valorisation counterbalances the higher costs caused by their smaller scale. The selling price thus determined cannot exceed the price of production, but the opposite relation is possible. In this case, on selling at the price of production, small capitals would appropriate an extraordinary profit placed above their specific normal rate. Yet, small capitals cannot avoid competing over the extraordinary profit, making it flow to the normal capitals that relate to them in circulation.

¹⁶ Fields 1998.

In turn, normal capitals cannot compete with each other directly for the extraordinary profit they are thus receiving. They would not only lose it, but mutually destroy their capacity to valorise at the general rate of profit. Hence, the extraordinary profit in question becomes a constantly reproduced inflow for the normal capitals that appropriate it through the concrete circumstances of circulation. For instance, this is the specific relation established between a capital concentrated in the normal scale needed to design a certain commodity and to impose its social necessity through advertising, and the bunch of small capitals that produce it. That is the true content of what political economy inverts by presenting the market-forms as the cause of the different concrete capacities to accumulate.

The cheapening of labour-power is the key to the international fragmentation of the working-class' productive subjectivity. However, for the highly concentrated capitals, it comes together with the extraordinary profit that the direct exploitation of the labourers bearing a degraded subjectivity by the small capitals, frees for them. Besides, because they stand on the edge, small capitalists are particularly appropriate to exercise the merciless exploitation of those labourers. Normal, ie. sufficiently concentrated, capitals reserve for themselves the pretty face of 'human relations'. This is a condition to extract surplus-value from the part of the working-class whose productive subjectivity concerns the conscious control on the natural forces. But what about direct production taking place under miserable conditions, that include physical abuse on children, as the source for 'pretty face' capitals' extraordinary profits? 'That' is not 'their business'.

Still, not all productions based on a degraded productive subjectivity can be competitively performed by small capitals. In large-scale industry proper, the simplification of labour presupposes highly concentrated constant capitals to which massive collective labourers are attached. This happens in the car, heavy-machinery, shipbuilding, steel, etc. industries. Hence, to internationally move these productions in search of a renewed source of cheap labour-power, a concentrated movement of capital has to take place. In this sense, the original centralisation of capital in steel industry and, moreover, of bank capital as national state property is the starting point for the specificity of South Korean accumulation.¹⁷ Small capitals are present too. Yet, capitals concentrated in a scale aimed at competing in the global formation of the general rate of profit prevail.

As we have already seen, the relative cheapness of the expanded productive subjectivity in Japan did not suffice to massively move the complex labour devoted to basic research there. As the simplest labour moved to the continent, the international fragmentation of productive subjectivity cut complex labour in a specific way again. It reached technological research itself. To a certain extent, this part of the labour process did not go beyond Japan.¹⁸ Basically, it is the simple labour applied to production in a restricted sense that moved to the new countries.

When that fragmentation runs between independent individual capitals, it delimits a second difference concerning the concrete capacities of accumulation. Each time a technical innovation rises the productivity of labour, the individual capitals that lead its use appropriate an extraordinary profit. Still, this extraordinary profit disappears as the new technique is generalised. Now, the more the capacity to control the natural forces develops into the general basis of production in large-scale industry, the more the production of this development itself becomes a special branch of social production. The products of this branch bear a peculiarity: that of giving access to an extraordinary profit for the capitals that consume them. This circumstance entitles the capitals of the special branch in question to a share in that profit. Of course, this share vanishes as the new technique becomes generalised. Then, the capitals that consume the innovation have to wait until they exhaust the useful life of the fixed capital

¹⁷ Pilat 1994.

¹⁸ Smith 1997.

where the innovation is embodied, to renew their chance. Oppositely, the capitals whose product consists in the technical innovation itself renew the source of extraordinary profit with every renewal of their production process. The development of the productive subjectivity aimed at controlling the natural forces thus turns into a regular source of extraordinary profits for the individual capitals specialised in it. When sellers and buyers of innovations are systematically separated by an international border, a continuous flow of extraordinary surplus-value from the consuming country to the producer one occurs. Thus, the attempt to produce its own scientific and technological development becomes an immediate condition for the expansion of the national process of capital accumulation in the former. Yet, to achieve that development, the corresponding productive subjectivity must be developed within the country first. And this development normally means a relatively more expensive national labour-power, thus undermining the basis on which the national process of accumulation immediately stands.¹⁹

Worse still, the prices of the commodities exported owing to the cheapness of the national labour-power present a particular tendency to fall. They become cheaper, similarly to any other, as the productivity of labour increases. But they become cheaper, too, because this increased productivity is put in action by a labour-power that is constantly cheapened through the incorporation of new latent surplus-population. This incorporation reaches Thailand, Malaysia, the Philippines and Indonesia since the late 1970s. This time, electronic components themselves integrated the vanguard. Furthermore, the incorporation of Bangladesh, Sri Lanka, etc followed in the late 1980s. Nevertheless, the conditions of accumulation in the region were truly revolutionised as Chinese latent surplus-population started to function as a cheap source of simple labour to produce for the world market. This incorporation characterised the 1990s.

Chinese latent labouring surplus-population appears as an inexhaustible source of labour-power apt to function as an appendage of machinery and in modern manufacture. The cheapness of this labour-power even contrasts with its primitive cost in other Asian countries. (See the Appendix). This cheapness, together with Chinese labour discipline, have a historical specificity that reinforces the regional one. In China, the process that transformed the peasantry into a latent labouring surplus-population was, at the same time, the process that reconstituted the former centralised national unity of the organisation of social production. This unity is now established through a tendency to the absolute centralisation of capital within the nation, under the necessary concrete political form pointed out with respect to the USSR.

Chinese national social capital thus acquires the specific power given by the ideological identification of the workers with its accumulation. Moreover, any resistance they could oppose to the extraction of surplus-value they are submitted to appears inverted, here, as an attack to the socialist organisation of production. Hence, it appears as a treason to the historical interests themselves of the working-class. The national state charges against the workers' resistance with all the strength it gets from this appearance.²⁰

The expansion that national accumulation is thus potentially able to reach, cannot wait for the mere expanded reproduction of existing capital. It demands a massive inflow of foreign capital. At first, the same political form taken by the national process of capital accumulation limited this inflow to foreign credit conceded to state firms. Yet, when the march itself of accumulation dissolved the apparent incompatibility between its national political form and its true content, capital started to flow as foreign direct investment.

¹⁹ Yun 1997.

²⁰ Reiitsu 1982, p. 241.

Towards general overproduction by means of the international fragmentation of productive subjectivity

Let us place ourselves in the early 1990s. The international division of labour is no longer simply based on the supply of raw materials to the classic countries, by countries where natural conditions allow a higher productivity of labour. Its contemporary specificity lies in the international fragmentation of productive subjectivity in large-scale industry. Some countries concentrate the exploitation of the labour-power bearing an expanded productive subjectivity. Others mainly concentrate the exploitation of labour-power bearing a degraded productive subjectivity. Finally, a third type of country essentially functions as reservoir of the labouring population that capital has deprived of all productive subjectivity, thus turning it into a consolidated surplus-population. Apparently, the 'globalisation' of production runs over national boundaries. Actually, it stands on their reinforced existence as the basis to cheapen labour-power.

Let us consider the aggregate evolution of West Germany, France, Italy, UK, USA, Japan, South Korea and Taiwan, between 1973 and 1992.²¹ These economies synthesise the key to the transformation in the global exploitation of the working-class based on the international fragmentation of productive subjectivity. Gross domestic product at constant prices (that roughly reflects the evolution of material production) rose 68 percent, and total working hours 15 percent. The difference between both rates makes evident the increase in productivity, both concerning production and circulation labour. In turn, average annual hours worked per labourer fell 7 percent. Hence, the total number of employed labourers rose 24 percent. To hell with the disappearance of the working-class! The increase in the number of workers, plus the relative development of productive subjectivity and the exhaustion of agrarian origin as a source to cheapen labour-power, made the mass of real wages (strictly, the real direct plus indirect labour costs) rise 55 percent.

Let us assume that all labour-power at capital's disposal would have been that reproduced in the European and American conditions. To achieve the same increase in production, the number of jobs would have increased 47 percent, and the mass of real wages 65 percent. And notice that we are disregarding the fact that the reproduction of the labour-power in question has not escaped being deteriorated by the actual presence of the differentiation. Thanks to the international fragmentation of productive subjectivity, capital has appropriated a greater proportion of the material product of labour and turned more of the labouring population into a surplus one.

A part of the increased product covered the increase in the technical composition of capital: the mass of means of production and circulation to be advanced per working hour increased 88 percent. Yet, since this increase essentially corresponded to the expansion of fixed capital, an increase of 39 percent in annual gross investment sufficed to cover it. In brief, while production has increased 68 percent, the cost of labour-power has gone from representing 72 percent to representing 67 percent of it. In turn, the part demanded to replace and expand the means of production and circulation has fallen from 25 percent to 21 percent. However much the individual consumption of the capitalist class could have increased, the transformation suffered by the conditions of accumulation has advanced in a defined direction: general overproduction.²²

This advance towards overproduction has not been an immediate expression of the law of the tendency of the rate of profit to fall. In the USA, the concrete annual rate of profit of

²¹ The sources are included in the Appendix.

²² It is not about underconsumption. In capitalism, everyone consumes what one's general social relation - capital accumulation - rules one should consume; albeit this certainly means zero consumption for the consolidated labouring surplus-population.

social capital rose sharply after its fall during the 1930s, reaching a post-war peak in the mid-1960s, fed by the relatively undifferentiated reproduction of labour-power and the increased productivity achieved through it. Yet, as the value of labour-power started to be determined through the fragmentation of its reproduction according to each productive subjectivity, the capital whose technical attributes and location were associated to the former undifferentiated conditions started to become redundant. Then, the indifference in the reproduction of productive subjectivity started to appear as the cause of the fall of the rate of profit. Yet, it was just the concrete manifestation of the moral depreciation of the capital that corresponded to the former conditions.

Capital started to face general overproduction in the only way it knows: by fleeing directly into it. Credit is the tool for this. Selling on credit to an insolvent buyer creates the appearance that the capital materialised in the overproduced commodities has completed its circuit of valorisation. This appearance allows the renewal of that circuit in a scale expanded beyond the reach of the effectively realised surplus-value, by buying on credit too. As soon as credit reaches maturity, it acquires an independent life. The process of deferring overt general overproduction by expanding it now includes the renewal of mature credits, while interests accrue to unpaid capital. The 68 percent increase in production from 1973 to 1992 has been sustained by a 156 percent real increase in public indebtedness plus private indebtedness with the financial system. From 1992 to 2000, the product increased 26 percent more, at the expense of a 48 percent increase in indebtedness.

The apparently autonomous expansion of credit has a natural offspring, speculation. Credit titles start to function as fictitious capital. Fictitious capital is unable to valorise by itself. Still, here, its profits are fed by the constant flow of part of the unrealisable surplus-value, that constantly enlarge its base. In turn, fictitious capital inflated by speculation turns into industrial capital, thus fuelling overproduction. As capital advanced in the classic countries by exploiting the increase in productivity through automation, and the cheapening of labour-power through the latter's international and domestic differentiation, while at the same time it resorted to the expansion of credit, the rate of profit started to rise (See the Appendix). Yet, the more capital expands production to appropriate the thus increased rate of profit, the faster it advances towards general overproduction.

While the US and the EU entered a decade of expansion, in East Asia overproduction started to be evident despite the continuous expansion of credit. Japanese accumulation had practically exhausted the source of its specific strength (See the Appendix). It delayed an acute crisis of general overproduction, but overproduction goes on reproducing itself with the strength evinced by a continued general stagnation. South Korea, Taiwan, Singapore and Hong-Kong started the decade as the main substitutes for Japan on the world market, based on their relatively cheap labour-power. Still, when China imposed the extreme relative cheapness of its labour-power, overproduction became evident in the former countries.

The overproduction of industrial capital engenders fictitious capital. Or, in other words, unrestrained speculation is but the autonomous way in which the development of general overproduction of industrial capital rules itself. Now the time arrives for the true determination to appear inverted. It starts to seem that the excess of fictitious capital obstructs the accumulation of industrial capital. Still, the true fact is that the mere reproduction of the apparent valorisation of fictitious capital needs to be fed by an increasing flow of surplus-value, while it has gone beyond the capacity of industrial capital to support it with its unrealisable surplus-value. Thus, it seems that the insufficiency of the rate of profit detonates the crisis of fictitious capital. In turn, the latter depresses the capacity to pay and consume. It thus appears as engendering general overproduction by itself, albeit it does but to show that accumulation is approaching the necessity to re-establish its material unity through a general crisis. Now, overproduction does not come down to the existence of capital under obsolete

material forms, either for their technology or for their location with respect to the international differentiation of labour-power. Simply, too much capital bearing the modern conditions of production has been produced. The time has arrived for the rate of profit to fall in the classic countries themselves.

Working-class internationalism

The automation of machinery and the robotisation of assembling are two genuine expressions of the historically-specific powers of labour under the rule of capital. They imply a substantial leap forward in the development of the productive forces of society under the material form inherent in the specific historical role of the capitalist mode of production; namely, through the transformation of labour into a process of collectively developing the conscious control on the natural forces to make these forces act on the objects to transform them. Still, as an alienated product of social labour, this leap forward turns against its own producer, the working-class. Standing on it, capital acts against its historical tendency towards reproducing the labourers of large-scale industry under universal conditions. It does so by internationally fragmenting the corresponding collective labourers, so as to link the different productive subjectivities of its specialised organs to the different historical conditions in which each national labour-power is reproduced.

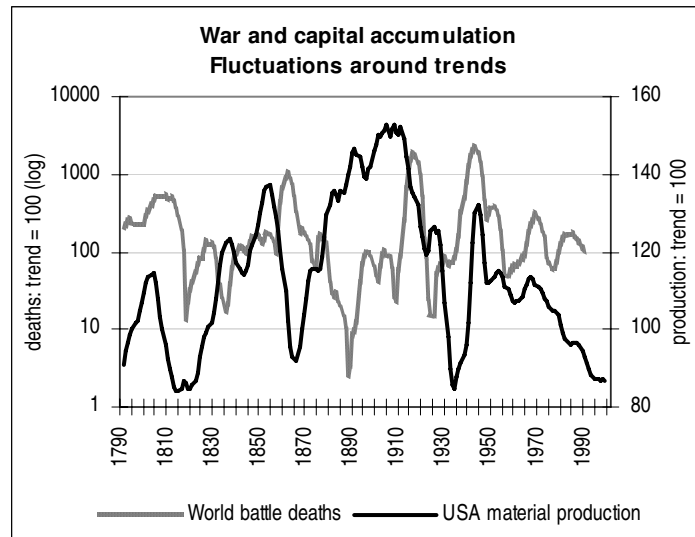
On this basis, capital reproduces the labour-power whose productive subjectivity it degrades by spending just that which is required according to its specific attributes, thus cheapening it. By so doing, capital increases the rate of surplus-value. However, this increase does not result from developing labour productivity and, hence, the productive forces of society. Worse still, the cheaper labour-power becomes, the bigger the gap that the productivity of labour has to overcome before the machinery that supports it could be put in production. Therefore, the cheapening in question procrastinates the development of social productive forces. Moreover, the resulting lower mechanisation is far from counterbalancing the cheapening of labour-power with an increased demand for it. On the contrary, since the lengthening of the working-day is key to that cheapening, this process entails lower employment. A larger consolidated labouring surplus-population is yet another of its disastrous results.

Through the national form taken by its accumulation, capital divides the working-class into fragments that confront each other as citizens of different national states. This division is the specific political form through which capital differentiates the reproduction of labour-power according to the specific productive subjectivity it requires from it. Moreover, capital profits from the exacerbated international competition it imposes between the national fragments of the working-class through that differentiation. A specific task is thus imposed on working-class internationalism.

It is about forcing the reproduction of labour-power on a common universal basis, whichever its productive subjectivity. Capital cannot avoid reproducing the part bearing the developed one by paying it for its value. Therefore, an universal basis means that this would tend to be the general one. The consequent expensiveness of labour-power bearing degraded productive subjectivity would force capital to accelerate technical development. Hence, capital would be forced to cease avoiding its specific historical role in the development of the material productive forces of society.

The struggle of the working-class for the universality in the reproduction of labour-power has a necessary general political form: that of imposing a global undifferentiated citizenship. Therefore, it is not just about reinforcing international solidarity, but it is

essentially about directly advancing towards the constitution of a world state.²³ The political action of the working-class needs to be, as ever, at the vanguard of the abolition of national boundaries. Yet, the general crisis of overproduction, increasingly required by capital to restore its material unity, will violently worsen the conditions of exploitation of every portion of the working-class. Historically, this has acted against working-class international unity. We cannot overlook the fact that capital has relied on generalised war as a key path to finally unleash, and afterwards also to overcome, its general crisis of overproduction:



Source: Iñigo Carrera, Juan, "Crisis, ciclos y tendencia de la acumulación de capital", CICP, Buenos Aires, 2002.

Furthermore, today, the perspective points to capital violently freeing itself from any burden that the consolidated excess of labouring surplus-population - globally distributed through the international fragmentation of productive subjectivity and expanded by the crisis of overproduction - could mean to its accumulation. The concrete forms of internationalist action towards an unmediated global working-class is the core question underlying any political action able to express 'the interests of the proletariat as a whole'.

²³ Hardt and Negri (2000) claim for a global citizenship brought down to the free international mobility of labour-power. This implies to believe that the national form of capital accumulation - hence national states - could be abolished by abolishing the immigration laws in which that national form itself takes concrete shape. And all this in the name of ethics, ie. of the alienated consciousness who sees itself as an abstractly free one. Contrary to such an idealist fantasy, world citizenship can only arise from the concentration of capital in scales and conditions that go beyond the scope of any national space, thus imposing the necessity of the world state as its general political representative.

Appendix

Table 1

	UK**				USA						Japan				South Korea				China			
	AH/ W	GDP/ H	LC/H	YE	AH/ W	GDP/ H	LC/H	GC	YE	RP	AH/ W	GDP/ H	LC/H	YE	AH/ W	GDP/ H	LC/H	YE	AH/ W	GDP/ H	LC/H	YE
1700	3000	1,03	0,66																			
1780	3600	1,07	0,71																			
1820	3800	1,12	0,92	2	3600	0,87	0,51															
1870	2984	2,61	1,71	4	2964	1,80	1,50				2945	0,46										
1890	2807	3,46	2,25	5	2789	2,52	2,18				2770	0,69										
1913	2624	4,40	2,54	7	2605	4,01	3,21		8		2588	1,03										
1929	2286	5,54	3,48	8	2342	5,86	4,42		8	8,3	2364	1,78										
1938	2267	6,02	3,88		2062	6,67	5,28		9	5,3	2391	2,19										
1950	1958	7,86	5,28		1909	11,33	8,42		9	10,7	2166	2,03	3,26*		2200	1,28						
1960	1913	9,69	7,04	10	1830	14,66	11,41		11	9,4	2138	3,82	3,96*	10				3				2
1973	1688	15,92	11,81	9	1764	20,23	15,89	0,31	12	10,2	2042	11,15	8,70	11	2683	3,22	0,94	5				3
1987	1557	22,39	14,22	10	1683	24,16	17,01	0,35	13	8,8	2020	16,46	11,10	11	2705	6,68	2,64	8	2462	1,98	0,20	5
1997	1530	26,32	16,25		1684	27,59	17,29	0,40	13	9,5	1790	22,50	13,98		2436	12,91	6,51		2329	4,00	0,28	
1999	1530	26,95	17,52		1683	28,66	18,12	0,41		10,2	1741	22,93	14,34		2497	13,54	6,51	9	2285	4,68	0,34	

** 1700/80 includes the whole of Ireland.

* Overestimated by the backward projection.

Notation

AH/W: Annual hours per worker.

GDP/H: Gross domestic product per hour worked, in 1990 Geary-Khamis PPP US dollars.

LC/H: Direct and indirect labour cost per hour worked, in 1990 Geary-Khamis PPP US dollars.

GC: Gini coefficient for individual earnings of full-time male workers.

YE: Mean years of formal education of employed population.

RP: Concrete annual rate of profit of social capital (excluding housing).

Table 2

	Total employment (thousands)		Annual hours per employee		GDP (millions of 1990 Geary-Khamis PPP US dollars)			Hourly labour cost (1990 Geary- Khamis PPP US dollars)		Constant capital advanced per worker (1990 Geary- Khamis PPP US dollars)		Gross investment over GDP %		Public debt + private debt with the financial sector over GDP %		
	1973	1992	1973	1992	1973	1992	2000	1973	1992	1973	1992	1973	1992	1973	1992	2000
France	21434	22557	1771	1542	674,4	1030,4	1199,4	11,29	18,83	25839	44942	27,2	19,7	49,0	126,9	148,7
Germany (ex FGR)	27160	29141	1804	1563	815,1	1254,8	1414,3	15,76	27,35	40606	49327	25,3	23,0	82,5	121,6	185,1
Italy	20448	24257	1612	1490	570,2	939,7	1068,7	11,67	20,85	23149	40521	30,3	24,1	122,7	167,2	190,3
United Kingdom	25076	25465	1688	1520	674,1	910,4	1146,0	11,81	15,05	16094	27005	21,9	15,3	86,1	148,1	183,1
USA	86838	119164	1764	1672	3519,2	5510,4	7331,0	15,89	17,34	29655	43182	20,2	15,2	116,9	158,4	179,1
Japan	52590	64360	2042	1876	1197,2	2415,2	2826,5	8,70	12,56	16519	49532	38,1	30,8	142,6	245,6	292,7
South Korea	11140	18376	2683	2478	96,4	436,4	686,8	0,94	4,91	6467	26355	25,6	37,3	53,4	111,0	144,8
Taiwan	5327	8632	2672	2357	56,6	238,8	396,9	"	"	8237	36841	24,6	23,1			

Sources

General: Maddison, Angus 1995, *Monitoring the World Economy 1820-1992*, Paris: OCDE. Maddison, Angus 1991, *Dynamic Forces in Capitalist Development*, Oxford: Oxford University Press. Nehru, Vikram, and Ashok Dhareshwar 1993. 'A New Database on Physical Capital Stock: Sources, Methodology and Results'. *Rivista de Analisis Economico* 8 (1): 37-59. US Bureau of Labor Statistics 2001 *International Comparisons of Hourly Compensation Costs for Production Workers in Manufacturing, 1975-2000*. World Bank, *2000 World Development Indicators*. International Monetary Fund, *International Statistical Yearbook*.

UK: Marx, Karl 1965 [1867] *Capital*, Moscow: Progress Publishers. Mitchell, Brian 1962, *Abstract of British Historical Statistics*, Glasgow: Cambridge University Press. Office for National Statistics, *Labour Force Survey*. Matthews, R., C. Feinstein y J. Odling-Smee 1982, *British Economic Growth 1856-1973*, Stanford: Stanford University Press.

USA: Bureau of Economic Analysis, *National Income and Product Accounts. Historical Statistics, Colonial Times to 1970*, Snyder, Thomas (ed) 1993, *120 Years of American Education: A Statistical Portrait*, NCES.

Japan: Ministry of Labour, *Labour Force Survey*.

South Korea: Ministry of Labour, *Monthly report on labour statistics*.

China: *China Statistical Information Network*.

References

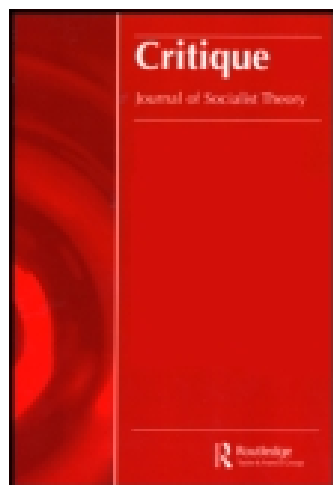
- Blumenberg, Evelyn and Paul Ong 1994, 'Labor Squeeze and Ethnic/Racial Recomposition in the U.S. Apparel Industry', in Edna Bonachich, Lucie Cheng, Norma Chinchilla, Nora Hamilton and Paul Ong (eds) *Global Production - The Apparel Industry in the Pacific Rim*, Philadelphia: Temple University Press.
- Fields, Karl 1998, 'Is Small Beautiful? The Political Economy of Taiwan's Small-Scale Industry', in Eun Mee Kim (ed) *The Four Asian Tigers*, Academic Press.
- Fröbel, Folker, Jurgen Heinrichs and Otto Kreye 1980, *The new international division of labour: Structural unemployment in industrialised countries and industrialisation in developing countries*, London: Cambridge University Press.
- Gereffi, Gary 1998, 'Commodity Chains and Regional Division of Labor in East-Asia', in Eun Mee Kim (ed) *The Four Asian Tigers*, Academic Press.
- Hardt, Michael and Antonio Negri 2000, *Empire*, Cambridge: Harvard University Press.
- Hirsch, Joachim 1991, 'Fordism and Post-Fordism: The Present Social Crisis and its Consequences', in Werner Bonefeld and John Holloway (eds) *Post-Fordism & Social From: A Marxist Debate on the Post-Fordist State*, London: Macmillan.
- Holloway, John 1991, 'The Great Bear: Post-Fordism and Class Struggle' in Werner Bonefeld and John Holloway (eds) *Post-Fordism & Social From: A Marxist Debate on the Post-Fordist State*, London: Macmillan.
- Iñigo, Juan 2000a 'Crisis y perspectivas del capitalismo argentino', *Realidad Económica*, 171: 52-75.
- Iñigo, Juan 2000b *The historical reason of existence of the capitalist mode of production and the determination of the working-class as a revolutionary subject*, Buenos Aires: CICP, presented to the First Electronic Congress on the Updating of Das Kapital, <http://www.aper.net/ceplad/daskapital>.
- Jang-Sup Shin 1996, *The Economics of the Latecomers*, London: Routledge.
- Jenkins, Rhys 1984 'Divisions over the international division of labour', *Capital & Class*, 22: 28-57.
- Marx, Karl 1965 [1867] *Capital*, Vol. I, Moscow: Progress Publishers.
- Marx, Karl 1973 [1857-58] *Grundrisse*, Harmondsworth: Penguin Books.
- Okimoto, D. and G. Saxonhouse 1987, 'Technology and the Future of the Economy' in K. Yamamura and Y. Yasuba (eds) *The Political Economy of Japan*, Vol. 1, Stanford: Stanford University Press.
- Pilat, Dirk 1994, *The Economics of Rapid Growth*, Cambridge: Edward Elgar.
- Reiitsu, Kojima 1982, 'Accumulation, Technology and China's Economic Development', in Mark Selden and Victor Lippit (eds) *The Transition to Socialism in China*, New York: Shapire.
- Smith, David 1997, 'Technology, Commodity Chains and Global Inequality: The South Korean Case in the 1990s', *Review of International Political Economy*, 4 (4): 734-762.
- World Bank 1993, *The East Asian miracle: economic growth and public policy*, New York: Oxford University Press.
- Yun, A. H. 1997, 'Industrial Restructuring and the Reconstitution of Class Relations in Singapore', *Capital & Class*, 62: 79-120.

This article was downloaded by: [Baskent Universitesi]

On: 23 December 2014, At: 07:45

Publisher: Routledge

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



Critique: Journal of Socialist Theory

Publication details, including instructions for authors and subscription information:

<http://www.tandfonline.com/loi/rcso20>

The Historical Determination of the Capitalist Mode of Production and of the Working Class as the Revolutionary Subject

Juan Iñigo-Carrera

Published online: 22 Dec 2014.



CrossMark

[Click for updates](#)

To cite this article: Juan Iñigo-Carrera (2014) The Historical Determination of the Capitalist Mode of Production and of the Working Class as the Revolutionary Subject, Critique: Journal of Socialist Theory, 42:4, 555-572, DOI: [10.1080/03017605.2014.984497](https://doi.org/10.1080/03017605.2014.984497)

To link to this article: <http://dx.doi.org/10.1080/03017605.2014.984497>

PLEASE SCROLL DOWN FOR ARTICLE

Taylor & Francis makes every effort to ensure the accuracy of all the information (the "Content") contained in the publications on our platform. However, Taylor & Francis, our agents, and our licensors make no representations or warranties whatsoever as to the accuracy, completeness, or suitability for any purpose of the Content. Any opinions and views expressed in this publication are the opinions and views of the authors, and are not the views of or endorsed by Taylor & Francis. The accuracy of the Content should not be relied upon and should be independently verified with primary sources of information. Taylor and Francis shall not be liable for any losses, actions, claims, proceedings, demands, costs, expenses, damages, and other liabilities whatsoever or howsoever caused arising directly or indirectly in connection with, in relation to or arising out of the use of the Content.

This article may be used for research, teaching, and private study purposes. Any substantial or systematic reproduction, redistribution, reselling, loan, sub-licensing, systematic supply, or distribution in any form to anyone is expressly forbidden. Terms &

The Historical Determination of the Capitalist Mode of Production and of the Working Class as the Revolutionary Subject

Juan Iñigo-Carrera

Prominent Marxist theoreticians conceive the working class as a revolutionary subject based on moral or ethical superiority, a natural will for freedom, self-valorization, the need to avoid barbarism, etc. From a materialist viewpoint, human history consists of the transformation of the material conditions of social life through labor. Capitalism is the historically specific development of human subjectivity by transforming the powers of free individual labor into those of the social labor consciously organized by the collective laborer who privately performs it. Thus, the material product of the labor of the working class increasingly consists of the development of its capacity to scientifically organize production, whereas this capacity goes on confronting it as an alien social power embodied in that same product, that is capital, that falls beyond its control. With its free consciousness thus embodying alienation, the working class carries this absolute contradiction inherent in the socialization of private labor (a contradiction that transcends the contradiction between social production and private appropriation) beyond its limit, until revolutionarily organizing labor as a direct social power. As a historical social relation, freedom is transformed by this revolutionary transformation of the materiality of labor: the absence of personal domination based on the objective consciousness concerning one's own individuality as the bearer of productive social powers annihilates the absence of personal domination based on submitting to domination by the social powers embodied in the product of one's own labor.

Keywords: Consciousness; Freedom; Alienation; Working-class; Revolutionary Subject; Method

It is not a question of what this or that proletariat, or even the whole proletariat, at the moment *regards* as its aim. It is a question of *what the proletariat is*, and what, in accordance with this *being*, it will historically be compelled to do.¹

The Issue

The last quarter of a century has been shown to be particularly hard on the powers of the working class to change society. There where the working class had expropriated the expropriators, the power it acquired seemed to have turned against itself. This power vanished, leaving behind a working class ready to be exploited once again as an extremely inexpensive source of labor power. Things went no better for the working class in other parts of the world. Defeated time after time, it has seen the deterioration of its working conditions which it won after such fraught struggles. Furthermore, its own political parties have competed with the neoliberals in seeing which was most successful in forcing it to retreat.

The situation did not improve for the working class when, weary of party bureaucrats, it turned for support to the theoreticians critical of capitalism. First, the working class was informed that it had lost its condition as the subject able to transform society, since this transformation was a process without a subject.² Then, the working class came to know that the subject had been reinstated, but that it was no longer considered for this role. Far from being the result of the development of universal subjects, social revolution now sprung from the affirmation of a universe of subjects that only had in common their self-vindication as pettily exclusive identities.³ Furthermore, not only did it have to discover that it was no longer the revolutionary subject, but that it did not even exist: work had disappeared, and so had the working class itself.⁴ Later, it emerged that it was not work per se that had disappeared, but the private form in which it was carried out in capitalism. The forced worker for capital was now a 'social worker',⁵ and the working class was itself invited to celebrate the loss of all identity and to live the joy of becoming a 'multitude',⁶ or a 'civil society'.⁷ And what about seizing power? Not even in dreams. The issue, it is claimed, is not

¹ Karl Marx, 'The Holy Family or Critique of Critical Criticism. Against Bruno Bauer and Company', *Marx & Engels Collected Works*, Volume 4 (New York: International Publishers, 1975), p. 37.

² Louis Althusser, 'Preface to *Capital* Volume One', in Louis Althusser, *Lenin and Philosophy, and other Essays*, (New York: Monthly Review Press, 1971), p. 94.

³ Toni Negri, 'Do You Remember Revolution?', in Toni Negri *Revolution Retrieved: Writings on Marx, Keynes, Capitalist Crisis, and New Social Subjects (1967-83)* (London: Red Notes, 1988), pp. 233-234. Manuel Castells, *The Information Age. Economy, Society, and Culture. Volume II. The Power of Identity* (West Sussex: Wiley-Blackwell, 2010), p. 422.

⁴ Jacques Attali, *Millennium. Winners and Losers in the Coming World Order* (New York: Times Books, 1991), p. 101. Jeremy Rifkin, *The End of Work. The Decline of the Global Labor Force and the Dawn of the Post-Market Era* (New York: G. P. Putnam's Sons, 1995), p. 197.

⁵ Michael Hardt and Antonio Negri, *Empire* (Cambridge, MA: Harvard University Press, 2000), pp. 409-410.

⁶ Michael Hardt and Antonio Negri, op. cit., pp. 53-54, 401-402.

⁷ Sergio Tischler, 'La "sociedad Civil": ¿Fetiché? ¿Sujeto?', *Bajo el Volcán*, Vol. 2, Num. 3, Benemérita Universidad Autónoma de Puebla, México, 2001, pp. 176-179.

about the working class seizing in its own hands the powers of human labor alienated as powers of capital, but that capital itself will be quashed by mere indifference.⁸

And yet there is more. Nowadays, the barest reference to necessity, to a historical *raison d'être*, is a scandal and abomination to many of those that proclaim themselves critics of capitalism. Teleology!⁹ 'Exhausted utopias!' 'Grand narratives of emancipation!'¹⁰ Or, worse, attempts of 'totalitarian domination'!¹¹ Such are the sentences passed on any scientific recognition that society advances towards a certain direction. Under the umbrella of pluralism and diversity, all potential for social transformation is reduced to abstract 'desire', 'free will', or 'moral superiority', alien to any development of the materiality of the productive forces of society. No wonder theoreticians themselves end up claiming that poetry, religion and science attain equal rights as practical forms of consciousness in transforming all that exists.¹²

Nevertheless, from the point of view of the supersession of the capitalist mode of production the question remains unchanged: what is to be done? Since the aforementioned issues confront the condition of the working class as a revolutionary subject at its very roots, the only possible answer is to tackle the question of what is to be done by the working class in a radical way. This means starting by taking a critical stance in the face of one's own transforming action from its very roots, from the simplest determination of the social being of the working class.

The Social Being of the Working Class: Free Consciousness as the Concrete Form of Alienated Consciousness

Human natural history is the history of the transformation of the material conditions of social life through labor.¹³ The development of the human being as a historical subject is nothing but the development of human capacity to act in a conscious and voluntary way upon the rest of nature, in order to transform the latter into a means for human life. In other words, the development of the human being as a historical subject is the development of the human condition as the subject of production, that is, of human productive subjectivity. This development is the only materialistic concrete starting point, and therefore the only scientific one¹⁴ to generate consciousness as regards any historical process.

The capitalist mode of production starts by dissolving any general direct organization of social labor based on relations of personal dependence, thus turning

⁸ John Holloway, *Change the World Without Taking Power* (London: Pluto Press, 2005), pp. 212–215. Michael Hardt and Antonio Negri, *op. cit.*, p. 212.

⁹ Roger Chartier, 'L'histoire ou le récit véridique', *Philosophie et histoire*, Paris, Centre Georges Pompidou, 1987, p. 119.

¹⁰ Jean-François Lyotard, *The Postmodern Condition: A Report on Knowledge* (Manchester: Manchester University Press, 1984), pp. 37, 38.

¹¹ Durand, Jean Pierre, 'Can we make our own history? The significance of dialectic today', *Capital & Class*, 62, 1997, pp. 143–158.

¹² Paul Feyerabend, *Against method* (London: Verso, 1993), p. 249–50.

¹³ Karl Marx, *Capital*, Volume I (Moscow: Progress Publishers, 1965), p. 10.

¹⁴ Karl Marx, *Capital*, Volume I, *op. cit.*, p. 373.

the producers into free individuals. Each concrete element of social labor is thus given the specific form of private labor performed independently from the rest. Then total social labor-power is allocated to its useful concrete forms through an autonomous system. As it is performed in a private and independent way,¹⁵ the abstract socially necessary labor (a simple productive expenditure of the human body in whatever concrete form it is performed,¹⁶ and, as such, a natural condition for human existence whatever the social modality that rules it)¹⁷ acquires a historically specific social form. After it materializes into its products, it appears represented as the aptitude of these products to relate to each other in exchange, thus placing their private and independent producers within a social relationship.¹⁸ That is to say, materialized privately performed socially necessary abstract labor is represented as the value that determines use-values as commodities.¹⁹

Since they need to generate their general social relationship through material production, the free individual consciousness and will of the producers that privately and independently organize their social labor are subjected to a historically specific determination. They have to submit to the needs that the value-form of their own material products imposes on them. They must act as personifications of their own commodities; they need to produce value as a matter of life or death. Commodity producers are free from any personal servitude because they are the servants of the social power of their products. Whereas it is the will of the producers that completely dominates the private and independent exercise of individual labor, these same producers are in turn completely subordinated to the social powers of the material product of that self-same labor. From the point of view of the participation of private and independent producers in social labor, their consciousness and will matter only inasmuch as they personify the powers of their commodities. The productive power of their social labor stands removed from the producers themselves as an alienated power, as a power incarnate in their commodities. The free consciousness and will of commodity producers is the specific form within which their alienated consciousness and will exist.

Now, at the same time, only because they are submitted to the domination of commodities, human consciousness and will determine themselves as free from all alien personal domination. In the previous modes of production, starting with primitive communism, there were no individuals freed from relations of personal dependency in the organization of their social labor. Those who stop at the appearances of the circulation of commodities believe that their possessors are abstractly free subjects by nature. Nevertheless, human freedom is but a social relation that in its historical development up to today has only existed and exists under the concrete form of not being submitted to relations of personal dependency

¹⁵ Karl Marx, *Capital*, Volume I, op. cit., p. 42.

¹⁶ Karl Marx, *Capital*, Volume I, op. cit., pp. 38, 44, 46.

¹⁷ Karl Marx, *Capital*, Volume I, op. cit., p. 71.

¹⁸ Karl Marx, *Capital*, Volume I, op. cit., pp. 72–74.

¹⁹ Karl Marx, *Capital*, Volume I, op. cit., p. 38.

because one is submitted to the social powers of the product of labor. Hence, the development of freedom has no necessity other than that that could emerge from the development of its very alienation.

Therefore, social production is not directly aimed at producing use-values, but at producing the general social relation itself, that is value. In its condition as the objectified general social relation that represents the privately and independently performed social labor, value takes the substantive form of money. Money represents all the concrete modalities of social labor and, therefore, it embodies the potentiality to set into motion all of the modalities that will act as the starting point of the process of social metabolism. Thus, the organization of social production simply does not start from the alienated consciousness of each free individual putting in action his/her part in social labor. On the contrary, alienated consciousness does but express the necessity of the substantive social relation, which puts in action social labor without having as its immediate objective the production of use values, but the expanded reproduction of the very same substantive social relation. Hence, it is about the valorization of value, about the production of surplus value. Such is the capitalist mode of organizing social production. Capital is but the specific historical form in which the capacity to organize the labor of society gets into action as the attribute embodied in a thing that has been produced by previous social labor, with the immediate objective of producing more of that capacity to organize the labor of society as an attribute embodied in the material product of previously performed labor. Capital thus becomes itself the concrete immediate subject of social production and consumption.

As free independent individuals, wage laborers enter their general social relation as personifications of their only sellable commodity, their labor power. This means that the working class has nowhere from which to obtain any historically specific revolutionary powers other than those it gets from its own general social relation, namely, the production of surplus value. To be precise, the history of the production of surplus value is nothing but the history of the production of the material revolutionary powers of the working class and, therefore, of its revolutionary consciousness and will.

The working class constitutes itself as such through its necessarily antagonistic relationship with capital in terms of selling its labor power at its value. Nevertheless, the development of its revolutionary powers is not limited to the development of the formal subsumption of labor to capital. Through the production of relative surplus labor—that is, making labor power cheaper by multiplying the productivity of the labor that produces the worker's means of existence through a continuous technical revolution—labor really becomes subsumed under capital.²⁰ Even in their unity as working-class and in their very process of individual consumption, the workers become an attribute of capital.²¹ Thus, capital produces and reproduces them as

²⁰ Karl Marx, *Capital*, Volume I, op. cit., pp. 509–510.

²¹ Karl Marx, *Capital*, Volume I, op. cit., p. 573.

human beings; that is, as bearers of consciousness.²² This happens to the point that capital even rules the laws of their biological reproduction.²³ In the circulation of commodities, the consciousness of the laborers appears to be free. In fact, the consciousness and will of the laborers are defined as the necessary concrete forms taken by the alienation of labor's powers as capital's powers, namely, their own objectified general social relation that has become the alienated concrete subject of social existence.

The Capitalist Transformation of the Materiality of Labor and of the Laborer

Capital constantly revolutionizes the material conditions of production in the pursuit of relative surplus value. This revolution is not merely limited to the kind of a necessary large-scale collective process involved in working in mechanized big industry. As the system of machinery is developed, so capital tends to revolutionize the very material nature of labor. Essentially, labor ceases to consist of the conscious exertion of human strength and ability applied on tools in order to make them act upon an object to transform its use value. Rather, it tends to consist of the conscious expenditure of human body applied to the scientific control of natural forces and to the objectification of this control as an attribute of machinery, so as to make those natural forces automatically act upon tools in order to make the latter bring about the transformation of the object.²⁴

Consequently, commodity producers are collective individuals (formed by doubly-free workers, both in the sense of not being submitted to anyone's personal domination and of being separated from the means of production required to produce their existence that confronts them as an alien social power) who perform their labors in a private and independent way. As independent private producers, these collective producers have complete control of their individual labor processes, but none at all over the latter's general social character. Therefore, their consciousness and will as collectives formed by free individuals must needs submit to the rule of the social powers of the material product of their labor, that is, capital: they must produce surplus value. The free consciousness and will of the members of the collective laborers are the concrete forms of their consciousness alienated in capital.

Capitalist Universality and Fragmentation of the Workers' Productive Subjectivity

The capitalist mode of production tends to determine laborers as social subjects whose freedom develops as the materialization of their own labor processes—which is governed in an alienated way—necessarily tends to transform them into the bearers

²² Karl Marx, *Capital*, Volume I, op. cit., p. 578.

²³ Karl Marx, *Capital*, Volume I, op. cit., p. 643.

²⁴ Karl Marx, *Capital*, Volume I, op. cit., pp. 386–388; Karl Marx, *Grundrisse: Foundations of the Critique of Political Economy* (London: Penguin, 1973), pp. 704–707, 713–714.

of a scientific, that is, objective, therefore, free, consciousness that aims to acquire an universal scope. And, as capital moves forward by eliminating the particularities that correspond to the direct application of labor power on its objects from the actual materiality of the labor process, it moves forward by universalizing the attributes of labor power; which means that it moves forward by universalizing the conditions of its reproduction, that is, the attributes of human consumption.

Nevertheless, the capitalist mode of production performs this transformation inasmuch as the conscious organization of social production is, at the same time, the necessary concrete form through which its opposite is able to realize itself. That is to say, inasmuch as conscious organization is the necessary concrete form in which the alienation of the productive powers of human labor is realized under the shape of an attribute of its own material product converted into the general social relation. In other words, inasmuch as it is about the socialization of private labor. Therefore, capital can only develop the universal powers and needs of the subjects of social labor through their opposite, namely, by constantly holding back and atomizing the universality of labor power. By privately socializing labor, capital revolutionizes the materiality of the labor process at the expense of the fragmentation of social labor power by determining the productive subjectivity of the laborers of large-scale industry in three contrasting ways.

Capital first needs to develop the productive subjectivity of the segment of the working class that participates in the collective laborer as the bearer of the latter's capacity to make progress towards universal control on natural forces and towards conscious control on the collective nature of labor. In itself, the development of this productive subjectivity reveals the general trend inherent in the historically specific development of the productive forces of society under the capitalist mode of production. Nevertheless, this does not mean that capital is moving forward without further ado. On the contrary, to begin with, capital itself constantly balances out its own historical general trend, thus turning each advance in the area of control of the natural forces into an objectified attribute of the machine. This means that any form of labor that exerts the aforementioned control becomes simplified, from the manual to the intellectual. At the same time, in the process of expanding its alienated productive subjectivity, the collective laborer broadens his sphere of action by taking charge of his self-coercion and the general representation of capital. The general antagonistic relation between those that personify labor power and those who personify capital permeates the collective laborer and, hence, the working class itself. The individual laborers that are in charge of those tasks appear both to themselves and to others as the very negation of that which they are; namely, members of the class of free individuals that only count on their labor power as a sellable commodity, that is, forced laborers for social capital, members of the working class. Consequently, even the part of the working class determined by capital as the direct bearer of the development of productive subjectivity suffers from the fact that its capacity to become aware of its own orientation as an alienated subject of social production is stunted. Therefore, capital prevents this part of the working class from fulfilling the

very historic potential for which it was created by capital itself: the development of the productive forces of society through the objective conscious organization of social labor. This mutilation of objective consciousness—which takes the shape of its opposite, alienated consciousness—can only be embodied in the very form taken by the scientific method that produces it. Hence, it can only arise from scientific method, being, at the same time, the requisite concrete form of its opposite, that is, ideology.

Secondly, the system of machinery degrades the productive subjectivity of the laborers that develop and use their manual skills in the direct process of production. They become mere appendages of the objectified control of natural forces, i.e. appendages of machinery. Their labor is thus continuously disqualified, deprived of any content beyond the mechanical repetition of an ever-increasingly simplified task. Each leap forward made by capital in the process of appropriating natural forces, that is, each leap forward made by the productivity of labor through the development of machinery, means that capital expels this type of laborer from the direct process of production on a wide-scale basis. And it does the same to those detail laborers still bound by the division of labor in manufacturing. It replaces the necessary intervention of their skillful subjectivity in the direct process of production with the objectified capabilities of a machine. Nevertheless, at the same time that each technical leap forward expels this type of living labor in order to replace it with dead labor, it generates a multiplicity of new areas for its exploitation. These areas emerge precisely as a result of this new step in the degradation of the productive attributes of both types of laborers. Consequently, the development of the productive forces of society ruled by the production of relative surplus value through the use of machinery carries within itself its own negation. It does so by multiplying the working population that it needs to reproduce with an ever-deteriorating productive subjectivity rather than by developing its productive subjectivity.

Thirdly, capital accumulation based on the extraction of relative surplus value by means of the system of machinery transforms an increasing part of the laboring population into surplus population with regard to the necessities of capital. Capital is the general social relation of the laboring population, i.e. the general social relation through which the working class reproduces its natural existence. Therefore, to be transformed into a surplus for capital means to be deprived of the capacity to produce one's own natural existence. Thus, capital extracts up to the last trace of productive subjectivity from the laboring surplus population, condemning it to death. In this brutal manner, capital undermines the contribution that growing segments of the laboring population could make to the development of the productive forces of society.

The global unit of capital accumulation realizes itself in the form of independent national processes. This form, itself a manifestation of the private nature of labor, becomes a basis for the fragmentation of the working class according to the differentiation of its role in the development of the productive forces of society.

The global unit of capital accumulation takes place in the form of independent national processes. This form, itself a manifestation of the private nature of labor,

becomes a basis for the fragmentation of the working class according to the differentiation of its role in the development of the productive forces of society.

The classic form of the international division of labor is defined centrally by the supply of raw materials for those countries where accumulation assumes its general form from other countries where natural conditions allow for a higher degree of labor productivity in the production and extraction of these raw materials. Consequently, a mass of differential and simple absolute monopoly ground rent flows towards the latter countries. This mass has its source in the surplus value generated by the workers of the importing countries where primary commodities reach individual consumption. Therefore, this surplus value not only escapes appropriation by the individual capitalists from these countries, but also eludes the national process of capital accumulation itself. Then, these national economies set out to recover for themselves the largest part possible of the rent in question. Historically, they have done so in two ways. Both of these have been in association with the landowners from those countries where the rent is appropriated, and which share it out as a condition for their own emergence and reproduction. The first way in which the surplus value in question returns is through the foreign public indebtedness of the country that benefits from the flow of rent to the country in which it originates. This debt accrues interest rates that are significantly higher than normal rates. The second set-up, which has been in force largely since the 1930's crisis onwards, consists of the countries from which ground rent flows outwards being able to recover it by investing industrial capital in the countries where it ends up. Nevertheless, they do not do so in order to carry out production in these countries on the normal scale required to compete in the world market, but only to operate in the countries on a small scale, which corresponds to their domestic markets. These capitals then balance out the negative effect that their restricted scale has on the generation of surplus value by appropriating part of the ground rent through *ad hoc* state policies. At the same time, the same capitals add to this valorization base, (a) the re-use of machinery that has become obsolete in their countries of origin as the scale required to compete in the world market has evolved; (b) the profits that flow to the capitals in question from the local small capitals through the relationship to be presented below and, more importantly; (c) the purchase of the local labor power below its value. The national segment of the working class is thus doubly deprived of its capacity to take part actively in the global development of the productive forces of society. Such is the content of the national processes of capital accumulation in question, albeit the ideological inversion of this content under the label of 'import- substitution industrialization'.²⁵

²⁵ This approach is opposed to the theories of underdevelopment, unequal exchange, dependency and imperialism. The Argentine case is a paradigmatic example of this specific national form of capital accumulation. See Juan Iñigo Carrera, *La formación económica de la sociedad argentina*, Vol. 1 (Buenos Aires: Imago Mundi, 2007), pp. 41–85.

While this form of international division of labor reproduces itself continually, a new form of the same kind of division arises that gives it contemporary specificity. This new form is directly based on the international fragmentation of the productive subjectivity of the laborer in large-scale industry dedicated to production on the world market scale. This fragmentation arises principally from the robotization of the assembly line and the computerized adjustment of machinery. These processes have a two-fold effect on the productive attributes of the laborers. On the one hand, they increase the level of complexity of the labor required to develop control over natural forces and to develop the conscious organization of collective labor; and on the other hand, they simplify to an extreme the manual task of assembly as well as the manual labor, and even the intellectual one, which operate as appendages of machinery. The development of electronic data communications and of transport adds to the counter-movement taken by developments in productive subjectivity.

Through this new development in the international division of labor, global accumulation takes shape through the constitution of a limited number of nations in which capital tends to foster the type of work that expands the productive attributes of the laborer. Capital accumulation determines a second kind of national space as the location for the productive processes that essentially require a labor force whose productive attributes have deteriorated, as it has been determined as a surplus laboring population that is either latent or stagnant. Finally, the global unity of capital accumulation brutally turns other countries into mere repositories for a consolidated surplus laboring population, which it deprives of all productive subjectivity. On the surface, it would appear that the 'globalization' of the production process of industrial capital erases national frontiers. In fact, it rests on the strength that such frontiers have to further cheapen labor power.

In turn, the national differentiation of the laborers' productive attributes is enhanced by the relationship between normal capitals, which prompt the productivity of labor corresponding to the formation of the general rate of profit, and small capitals no longer able to afford to reach that level of productivity. These small capitals have been left behind in the development of labor productive forces. Nevertheless, they continue to produce by balancing their higher production costs against being valorized at the lower profit rate corresponding to the interest rate they would receive if they went into liquidation and they convert this into loan capital. Nevertheless, the sales price set by the compensation arising from higher costs balanced against a lower normal concrete profit rate can fall below the price of production set by the formation of the general profit rate. In this case, the small capitals in question would benefit from an extraordinary profit, well above that corresponding to their normal concrete existence as industrial capitals. However, these capitals cannot avoid competing among themselves for that extraordinary profit, and so it flows away from them in the direction of the normal capitals directly linked to the small ones in circulation. Thus, the former multiply their capacity for accumulation, thanks to the subsistence of small capitals that lack the capacity to

develop society's productive forces.²⁶ This source of profit for normal capitals accrues greater power as small capitals are particularly suited to exert the ruthless exploitation of the labor force whose productive subjectivity is undergoing deterioration, all the more so when this labor force makes up the greater part of the country's laboring population.

Based on these national differentiations, capital acts against its historical tendency towards the universalization of the conditions in which it reproduces the laborers of large-scale industry. It does so by linking the different productive subjectivities of the specialized organs making up the collective laborer to the different conditions in which each national labor power is reproduced. Hence, the intensified international competition imposed on the national segments of the working class adds to its capacity for exploitation. The issue concerning the kind of unity required by the working class to tackle its double fragmentation by capital—based as much on the differentiation of productive subjectivity as on the international division of labor—is at the root of the issue concerning the forms of consciousness capable of organizing political action.

The Historical *Raison d'Être* of the Capitalist Mode of Production

The development of the productive forces of society through the increased socialization of private labor, that is to say, the reproduction of the capitalist mode of production, takes concrete shape in the negation of this self-same development through the mutilations that it necessarily carries out on the productive subjectivity of the whole of the laboring population. The concrete form in which the capitalist mode of production develops the productive forces of free labor is sufficient proof that this is not the ultimate social form taken by development. It is a specific historical modality that carries within itself the need for its own overcoming.

The transformation of the nature of labor and of the producer of commodities highlights the historical reason for the existence of the capitalist mode of production: the transformation of the productive powers of free individual labor into the productive powers of collective labor consciously organized by the same collective laborer that performs it, under the contradictory form of the development of social labor as private labor. It is about a labor whose product confronts its own producers as the autonomous bearer of the capacity to put in motion the labor of society and, therefore, as the bearer of a social power alien to them that exerts domination on them. This immanent contradiction of the capitalist mode of production is that which makes it bear in itself the need to supersede itself by engendering the general conscious organization of social production through its own development.

²⁶ This modality taken by the normal equalization of the profit rates under the concrete form of their permanent inequality based on the subsistence of small capitals in activity is the true content of that which political economy inverts when it explains the differences in the concrete capacities to accumulate by the market forms. This inversion goes from the Neoclassical theory of 'imperfect competition' to the theory of 'monopoly capital.'

The Centralization of Capital as the Alienated Property of the Working Class

The advance in the socialization of private labor necessarily takes shape through the centralization of capital, that is, the convergence of individual capitals in direct unity as the total capital of society. It is in the context of political action, which is to say, when it directly expresses the powers of social capital, that the working class embodies the direct socialization of private labor. The revolutionary action of the working class is the necessary concrete form in which the aforementioned constant revolution in the materiality of labor—which at the same time entails its direct socialization—develops its need for being organized as a directly social power that transcends the limits of its private capitalist form. Therefore, this revolutionary action is the necessary concrete form in which the capitalist mode of production fulfills its historical need to supersede itself through its own development.

The path is set by the working class taking into its own hands its alienated general social relation, i.e. the working class appropriating social capital. This is a task that can only be undertaken by centralizing capital as state property.²⁷

The complete socialization of private labor, that is the absolute centralization of capital as the property of a global state, is the necessary course of the political action of the working class as the highest form of the development of the productive forces of society in the capitalist mode of production. Nevertheless, this is not its real end. Indeed, a process of capital accumulation where the complete fulfillment and control of the labor process were in the hands of the wage laborers and capital was the collective property of these same laborers under the necessary modality of state capital, would be the most developed form of the alienation of human powers as capital's powers. In it, the separation of the laborers from their means of production would be complete, which is to say that the laborers would be directly confronted with these means—that is, without needing to be mediated by the figure of the capitalist—as an objectified autonomous power not only alien to them but also one to which they would be completely subordinate.

The Conscious, therefore Free, Organization of Social Life

The private character of labor, plain and simple, means that the free consciousness that organizes each unit of social labor is deprived of the capacity to control its own social scope. This scope confronts it in an inverted form as the social power that its product—capital—imposes upon it to embody the general unity of social labor. Insofar as free consciousness necessarily personifies the social power belonging to its product, it is determined as an alienated consciousness.

In its complete development, the free consciousness bearer of alienation directly takes form in the materiality itself of the labor process. At this point, work materially consists of applying a scientific consciousness—that is, one that is objectively aware of its own determinations and, as such, one that advances asserting its freedom—to

²⁷ Karl Marx and Frederick Engels, *The Communist Manifesto* (London: Penguin, 2002), p. 243.

develop control on the natural forces in order to objectify them in machinery, namely, to multiply the capacity to organize the process of social metabolism. Nevertheless, that same product, i.e. the multiplied capacity for organization, confronts its producers under the specific social form of surplus value. That is, it confronts its producers as an alien social power that belongs to the material product of their labor and to which their objective consciousness itself is submitted. It is about an automatic organization of social life in which human labor consists of the development of the capacity to consciously control that very organization, simultaneously having as its immediate object the multiplication of the capacity to automatically organize social life beyond the consciousness of its producers.

The absolute limit to the capitalist development of the productive forces of society lies in this negation of the complete domination of the very powers of social labor. Therefore, the ultimate capitalist barrier to the development of productive forces lies in the mutilation imposed on free consciousness by its determination as the form of existence of alienated consciousness. The overcoming of this barrier necessarily entails the annihilation of private labor as the way of organizing social labor, thus giving birth to the general conscious organization of the latter.

This step forward in the development of productive forces thus takes a specific material concrete form. Namely, it takes the form of a social revolution in which the material subject of this development, i.e. the working class, does not limit itself to the annihilation of the bourgeoisie by transforming capital into an immediately social property. It annihilates capitalism itself, and, by doing so, annihilates the general political representative of capital, that is, the state. And by annihilating capitalism, the working class reaches its own end. The new general social relation takes shape in the consciousness and will by means of which the laborer directly determines him/herself as an individual organ of social labor. Freedom is no longer about not being subject to the personal domination by another at the expense of submitting to domination by the social powers that belong to the product of one's own labor. Now, freedom consists of not submitting to the personal domination of another because one holds complete sway over the social powers of one's own labor. It has developed as the complete objective consciousness concerning one's own individuality as the bearer of productive social powers. Therefore, it is about the general conscious organization of the process of producing social life. Free consciousness, i.e. free individuality, has become the general social relation.²⁸

The historically specific revolutionary powers of the working class to overcome the capitalist mode of production do not arise from the realization of 'right', 'justice', or 'equality' as opposed to capitalist 'unnatural' injustice and exploitation;²⁹ nor from the realization of the 'dialectic of the moral life';³⁰ nor from the 'increase of an

²⁸ Karl Marx, *Grundrisse: Foundations of the Critique of Political Economy*, op. cit., p. 156.

²⁹ Eduard Bernstein, *The Preconditions of Socialism* (Cambridge: Cambridge University Press, 1993), p. 141. Ernesto Laclau and Chantal Mouffe, *Hegemony and Socialist Strategy: Towards a Radical Democratic Politics* (London: Verso, 1985), pp. 180–181.

³⁰ Jürgen Habermas, *Knowledge and Human Interests* (Boston: Beacon Press, 1971), p. 61.

internal self-determination or self-morality;³¹ nor from the fact that the mere antagonistic relationship that exists between the exploiters and the exploited in class struggle engenders an abstract accumulation of experience;³² nor from the 'autonomy' achieved by class struggle with respect to its determination as the necessary concrete form of the socialization of private labor;³³ nor from the 'autonomy achieved by the working class' consciousness with respect to capital, be this—in relative terms—by means of the production of a revolutionary 'doctrine',³⁴ or by means of its 'self-valorization';³⁵ nor from the 'democratization' of capitalism through the apparent standoff between an abstractly free consciousness and an abstractly alienated consciousness by means of 'market socialism';³⁶ nor from the production of a working class consciousness able to develop itself by itself beyond the exhaustion of the development of productive forces;³⁷ nor from the need to avoid 'barbarism' or 'catastrophe' vis-à-vis the mechanical impossibility of capital reproduction;³⁸ nor from this mechanical impossibility itself;³⁹ nor from the resistance of the laboring surplus population in its desperate struggle to survive.

Each of these reasons presupposes that working-class consciousness imposes itself—on its own account—upon the actual determination of the social being of the working class as an attribute of capital. Therefore, they are all idealistic inversions to which the materialistic point of view must be opposed. The capitalist mode of production is nothing but the form in which society develops its material productive forces by means of the accelerated socialization of free labor (i.e. by means of the generation and advance of the conscious organization of social labor performed by the direct producers themselves) by aiming for the multiplication of that socialization as the immediate object of social production and consumption. Therefore, this form of the organization of social production takes action directly aimed at reproducing the same mode of organization in a qualitatively and quantitatively expanded scale. Hence, its specific need to revolutionize the very materiality of the labor process, transforming it in the exercise of human faculties to submit natural forces to their conscious control exerted as a direct social power. Yet, for that reason too, the direct

³¹ István Mészáros, *Marx's Theory of Alienation* (London: Merlin Press, 1986), pp. 188–189.

³² Georg Lukács, *History and Class Consciousness* (Cambridge, MA: The MIT Press, 1971), p. 76.

³³ John Holloway, 'The Great Bear: Post-Fordism and Class Struggle', in Werner Bonefeld and John Holloway (eds) *Post-Fordism & Social Form: A Marxist Debate on the Post-Fordist State* (London: Macmillan, 1991), p. 100.

³⁴ Louis Althusser, 'Theory, Theoretical Practice and Theoretical Formation: Ideology and Ideological Struggle', in *Philosophy and the Spontaneous Philosophy of the Scientists & Other Essays* (London: Verso, 1990), pp. 1–42.

³⁵ Antonio Negri, *Marx au-delà de Marx* (Paris: Christian Bourgois Éditeur, 1979), p. 182.

³⁶ David Schweickart, *Against Capitalism* (New York: Cambridge University Press, 1993). John Roemer, *A Future for Socialism* (Cambridge, MA: Harvard University Press, 1994).

³⁷ Leon Trotsky, *The Transitional Program & the struggle for socialism* (Sydney: Resistance Books, 1999), pp. 23–24.

³⁸ Rosa Luxemburg, *The Accumulation of Capital* (London: Routledge and Kegan Paul, 2003), pp. 366, 466–467. Georg Lukács, *History and Class Consciousness*, op. cit., p. 282.

³⁹ Henryk Grossman, *The Law of Accumulation and breakdown of the capitalist system* (London: Pluto Press, 1992), pp. 619–620.

producers are presented with the product of their own social labor as an alien power that dominates them; that is, as the very denial of their conscious organization of social labor, which is to say, as capital. Therefore, the capitalist mode of production constantly revolutionizes the materiality of the labor process in a way that entails the necessary overcoming of its own reproduction. Only because it is completely determined as an attribute of its own alienated material product, and as it cognizes itself completely in this determination as the necessary form of the advance in the conscious socialization of labor, the revolutionary action of the working class is today the complete expression of liberating action.⁴⁰

The Consciousness of the Working Class as the Negation of the Negation of Free Consciousness

The need inherent within the capitalist mode of production to develop itself towards its own overcoming into the general conscious organization of social production immediately presents us with the process of the development of consciousness. A consciousness able to organize the totality of the process of social production must have attained the power inherent in the fullness of objective knowledge, that is, it needs to be a completely free consciousness. Nevertheless, it cannot reach this condition as an offspring of the previous overcoming of the capitalist mode of production. On the contrary, this overcoming is the offspring of the complete development of free consciousness. Therefore, complete free consciousness must necessarily be the most genuine product of the capitalist mode of production itself. More concretely yet, it must needs be the product of the social subject that the capitalist mode of production objectively determines as the bearer of its own overcoming, resulting from the same process in which the subject undertakes this overcoming. In a nutshell, the consciousness in question can only be developed as the product of the political action of the working class in the process of overcoming the capitalist mode of production. This action takes, as its necessary concrete form, the advance in the socialization of private labor by means of the centralization of capital as an alienated social property, which is to say, as the property of the state. The consciousness of the working class able to overcome the capitalist mode of production can only be developed as a concrete necessary moment of the aforementioned process of capital centralization.

Yet, the consciousness of the working class is determined as an attribute of capital and, therefore, as a form of alienated consciousness. Above all, the free consciousness of the working class is the necessary concrete form of its alienated consciousness. Hence, it is the negation of free consciousness under the appearance of being a free consciousness. Therefore, the consciousness that bears the overcoming of the capitalist mode of production cannot be developed as the abstract affirmation of

⁴⁰ Frederick Engels, *Anti-Dühring (Herr Eugen Dühring's Revolution in Science)* (Peking: Foreign Languages Press, 1976), p. 144.

the free consciousness of the working class. It can only be developed as the free consciousness of the working class that determines itself as an alienated consciousness advancing in the denial of its own alienation. That is, as a consciousness whose freedom resides in determining itself as the negation of the negation of free consciousness.

The production of the scientific consciousness of the working class concerning its own historical potential is not an abstract scientific matter. It is a specific moment necessary to the political action of the working class in the class struggle.

Capital's needs concerning scientific cognition face a contradiction. To increase relative surplus value by means of the system of machinery, capital is compelled to submit all production and consumption to science. Nevertheless, insofar as scientific cognition is simply a concrete form of the production of surplus value, science must reproduce the alienation of human consciousness in capital. At the same time, it has to be an objective consciousness, it needs to be a consciousness that looks upon itself in a non-objective way by accepting the appearance of being an abstractly free consciousness. For this reason, it is about a science that needs to appear as if the foundations of its objectivity were rooted outside itself. These foundations must appear to arise from a pure abstractly free subjectivity, as if they were based on a philosophy,⁴¹ grounded in turn on the appearance of free individuality inherent in the circulation of commodities.⁴²

Logical representation is this contradiction solved. It starts by basing its objectivity on the conception of real concrete forms as if they were empty of any necessity to be realized and, therefore, as unable to affirm themselves through their own negation. Thus conceived as lacking any potentiality to get into motion by themselves, and consequently expelled from science even the very question about the possibility of apprehending in thought their necessity by ideally following it in its real development, thought can only place them into relation by imposing an external constructive necessity upon them; that is, logic: 'Logic—mind's *coin of the realm*, the speculative or *mental value* of man and nature—its essence which has grown totally indifferent to all real determinateness and hence unreal—is *alienated thinking*, and therefore thinking which abstracts from nature and from real man: *abstract thinking*.'⁴³

Thus, logical representation is able to conceive free consciousness as the abstract opposite of alienated consciousness. Moreover, it could even conceive consciousness as the externally contradictory unit between free consciousness and alienated consciousness, these being two opposite poles. But it excludes from the field of scientific knowledge any possibility of discovering free consciousness as the necessary

⁴¹ Carl Hempel, 'The Theoretician's Dilemma', in H. Feigl, M. Scriven and G. Maxwell (eds.), *Minnesota Studies in the Philosophy of Science*, Vol. 2 (Minneapolis: University of Minnesota Press, 1958), p. 83.

⁴² Karl Popper, 'The Logic of the Social Sciences', in T. Adorno, H. Albert, R. Dahrendorf, J. Habermas, H. Pilot and K. Popper, *The Positivist Dispute in German Sociology* (London: Heinemann, 1976), p. 96.

⁴³ Karl Marx, 'Economic and Philosophic Manuscripts 1844' in *Marx/Engels Collected Works*, Volume 3 (London: Lawrence and Wishart, 1975), p. 330.

concrete form of alienated consciousness, since such relation violates any logical consistency.

Given the external character of the constructive necessity followed to conceive in thought the real concrete forms with respect to their proper one, logical representation itself arrives at the logically unavoidable conclusion that it cannot produce the certainty of an objective knowledge before acting.⁴⁴ Therefore, scientific theories based on logical representation are recognized by their own producers as necessarily stopping at appearances and, therefore, as being unable to go beyond interpreting reality in different ways.⁴⁵ They are but ideologies based on each one's philosophy. In logical representation, ideology manifests itself in the form of its opposite, namely, scientific method.

Marx opposes the 'reproduction of the concrete by way of thought'⁴⁶ to logical representation. Reproducing the concrete by way of thought implies that the course taken by the progression of ideas must follow the development of the necessity inherent in the actuality of the real concrete upon which action is going to be performed. Therefore, the movement of thought cannot introduce any necessity alien to its real object, nor force a conceptual point of departure. It can only start by accounting for the necessity of the simplest form presented by its object. That is, dialectics on its feet. Science, namely, the production of the objective consciousness, is thus carried out in a concrete form that immediately corresponds to its content. Therefore, when it is developed by the alienated subject, it unavoidably faces this subject with the evidence of his/her own alienation, whichever the appearance of abstract free subjectivity he/she has started from.

Since it begins, unavoidably, by discovering its own historical condition as an alienated consciousness, this consciousness can only be a product of capital inasmuch as the latter needs to annihilate itself through the conscious general organization of the social metabolism. Therefore, dialectical cognition as practical criticism can only arise as the immediate expression of the general interests of the working class; namely, as the expression of the latter's power to abolish itself as a class by constituting the society of freely associated individuals. Only inasmuch as it expresses this necessity is dialectical cognition able to advance upon the immediate concrete forms of the political organization of privately-performed social labor and of the transformation of natural forces into human instruments. Nevertheless, when it does so, it brings to these fields the revolutionary powers it obtains from its very historical reason of existence.

As long as it remains the prisoner of the self-same scientific method that operates as the objective consciousness capable of producing relative surplus value while seeing itself in a non-objective light, namely, of logical representation, the scientific consciousness of the working class is unable to discover that, in the capitalist mode

⁴⁴ Karl Popper, 'The Logic of the Social Sciences', op. cit., p. 104.

⁴⁵ Jürgen Habermas, 'The Analytical Theory of Science and Dialectics', in T. Adorno, H. Albert, R. Dahrendorf, J. Habermas, H. Pilot and K. Popper, *The Positivist Dispute in German Sociology*, op. cit., pp. 160–161.

⁴⁶ Karl Marx, *Grundrisse: Foundations of the Critique of Political Economy*, op. cit., p. 101.

of production, freedom is but the concrete form of alienation. Therefore, it weakens itself within its own historical powers, for it sees itself as an abstractly-free consciousness. Nevertheless, as the very process of capital accumulation imposes the development of direct control over the social character of labor, it follows that the conscious action of the working class needs to move towards overcoming this appearance. It needs to leave behind the exteriority of logical representation in order to rule itself by means of the reproduction of the concrete in thought, that is, by means of dialectical cognition. Marx's *Capital* is, in itself, the development (carried out for the first time and given a form that allows its social reproduction) of the alienated consciousness of the working class that produces itself as an alienated consciousness aware of its own alienation and of the historical powers it derives from it. In *Capital*, this consciousness unfurls to the point where it reaches the general determinations that relate to the revolutionary action of the working class in which the aforementioned historical powers are fulfilled inasmuch as they produce the material conditions for the conscious, and thus free, organization of social life.

**Capital's Development into Conscious
Revolutionary Action**

Critique of Scientific Theory

Juan Iñigo Carrera

Buenos Aires
1993

CICP
CENTRO para la INVESTIGACION
como CRITICA PRACTICA
(CENTER for RESEARCH as PRACTICAL CRITICISM)

jinigo@inscri.org.ar

Content:

- *The point is to change it.*
- *Green is the tree of life.*
- *Gray is the theory ...*
- *The historical nature of scientific theory.*
- *Dialectical cognition; i.e., the regulation of action in its form of the reproduction of one's own necessity in thought.*
- *Marx's advance towards conscious revolutionary action; Marxism's retreat to ideology.*
- *Appendix*

Capital's Development into Conscious Revolutionary Action Critique of Scientific Theory *

Juan Iñigo Carrera

The construction of the community of the freely, i.e., consciously, associated individuals is the most genuine critique of the present social organization. Does critical scientific theory, the scientific theory that sees itself as the direct expression of free consciousness vis à vis the general alienation of consciousness in capitalism, appear today living up to this social necessity?

Since that construction can only take shape in the development by each individual of the complete cognition of his/her own real necessity, it annihilates by itself any utopia. Likewise, it annihilates by itself the alienated forms in which the autonomous regulation of the process of social metabolism through the production of value takes shape. It thus annihilates the apparent individual independence as the form of the general social interdependency, to begin with; and, therefore, it is about the annihilation of moral and justice. Still, if the redemption of utopias and the conceiving of moral and justice as the foundations of the necessity of social transformation have a champion today, critical scientific theory is it. At the same time, critical scientific theory has not ceased to externally relate the general regulation of the process of social metabolism - i. e., the general social relation - with the concrete forms through which this regulation realizes itself. Only on this basis, it can go on uncritically representing the social regulation that takes shape in the national accumulation process of the capital that is a wholly collective property within this national ambit (and therefore, as much capital for the whole of the working class, and as much private capital, for the working class of the rest of the national ambits, as any other) as the realized supersession of capital, i.e., realized socialism or communism. Or, seen the other way round, only on this basis, critical theory can go on representing the brutal forms of the alienation of human potencies as capital's potencies in which this process takes shape, as abstract deviations, treason, bureaucratization, external constraints, lack of democracy, authoritarian vices, etc., of socialism in its realization.

Still, what other answers can we expect from critical scientific theory to the renewed demand for a conscious revolutionary action? Let us consider one that is particularly eloquent: 'Philosophers neither interpret nor change the world; science, whose cognitive autonomy philosophy is charged with protecting, does the former in order that the latter may one day be possible.' This is the way in which 'it is now ... necessary to emend' Marx's 11th thesis on Feuerbach, according to M. Sprinker¹. Most, not to say all, Marxists will certainly agree that this 'emendation' is an attempt to emphasize the critical aim of the statement with which Marx gave way to his scientific discovery of the specificity of present-day society. Some Marxists will certainly object the appeal to philosophy or the frailty of the 'may one day be possible.' Yet, at worst, they will take Sprinker's emendation just as an unhappy attempt to rephrase Marx's thesis; never as an attempt to alter its core. For, Marxism unanimously assumes as being self-evident that the problem with philosophers is not that they

* This is a synopsis of the book I am working on. See Appendix for its scheme. Its first chapter, *Dialectical cognition; i.e., the regulation of action under the form of reproduction of self-necessity by thought*, has been published by the *Centro para la Investigación como Crítica Práctica* (Center for Research as Practical Criticism).

¹ Sprinker, Michael 'The Royal Road: Marxism and the Philosophy of Science', *New Left Review*, 191, January/February, 1992.

interpret the world, but that they do not take action once they have achieved this interpretation. Moreover, Marxism has always postulated that the point is to scientifically interpret the world to face immediately after, on the basis of this interpretation, its conscious transformation. Still, is it the point? What change are we talking about?

Green is the tree of life

Above all, life is a process of metabolism, the process where a subject appropriates its environment to produce itself. As such, the living subject carries in itself the capacity for regulating its process of metabolism. That is to say, it is able to cognize the potentiality of its own action and of its environment, so as to control the self-consumption it must undergo in the process of producing itself. Undoubtedly, a long way runs from the capacity for, and form of, regulating itself inherent in a DNA molecule to those inherent in the most developed animal species. Nevertheless, all of these living forms center their capacity for transforming their environment from alien to a medium for themselves and, specially, their capacity for advancing in this transformation, in their capacity for transforming themselves, in their capacity for mutating their own bodies adapting them to the environment. By developing its capacity for transforming the environment into a medium for itself, not mainly by mutating its own body to adapt it to the environment, but by transforming the environment itself, a specific animal form turns itself into the generic human being. In other words, to be generically human imports the capacity for producing one's own means of living and, consequently, the capacity for producing the means of production of these means of living. The cognition of one's own potentiality with respect to the medium's potentiality, i.e., the regulation of the human process of metabolism, extends in a generically correspondent way the degree of foresight it needs to reach.

Human life is a process of social metabolism. Still, this process has no way of realizing itself other than in the process of metabolism of human individuals. Since it is a process of social metabolism that has the individual process of metabolism as the necessary form of realizing itself, the regulation of the former process is the organic unit of the latter ones. In other words, the regulation of the process of social metabolism realizes itself as the social relation among its members; it is the social tissue, so to speak. Since it is itself a concrete form of that collective process, this regulation is necessarily shaped in the action of each of its members. As it happens with any regulation of this kind, the regulation of this process takes shape, above all, in the cognition by each individual of the point reached by the unfolding of his/her process of metabolism and of the corresponding processes of the other individuals that interact with him/her. This cognition is thus the way in which each individual integrates the flowing of the corresponding portions of her/his individual process of metabolism with those of the rest. Naturally, the process of cognition is developed by each individual as a moment of his/her own process of individual metabolism.

The regulation of the human process of social metabolism, the general social relation among human beings, has the purely animal immediate cognition as its historical starting point. At least according to its length, the greatest part of human history up to today is the history of the transformation of this animal relation into the regulation by means of the cognition of the point reached by each individual process of metabolism through direct personal relations. Obviously, human cognition by means of ideas develops along this transformation as rudimentary forms as rudimentary is the complexity of the process of social metabolism that it regulates and, hence, which produces it.

Still, however much human cognition by means of thought might have been developed and however little somebody might know concerning the historical specificity that determines the current form of the human process of social metabolism, nobody would claim cognition is the general regulator of this process today. In other words, it is obvious that our general social relation - the allocation of society's total labor-power among its different concrete forms and the coordination of the individual process of metabolism - does not take shape through the process of cognition of the social necessities.

The absence of a general coordination through cognition in the allocation and development of social labor determines individuals as private independent producers. Insofar as purely such, they have no way to get into relation by themselves to incarnate the process of social metabolism. To begin with, these producers do not retain any general social relation other than that of being individual personifications of society's total capacity for performing productive labor. This total labor-power is, as such, the capacity for performing human labor in general. The realization of this capacity under the mass of its different concrete forms is, thus, the development of the general social relation among the private independent producers.

The human process of social metabolism goes into motion by itself. It does so carrying the cooperation among its members beyond their capacity for - mutually recognizing each other in the development of their respective individual process of metabolism - directly coordinating these processes as moments of the process of social metabolism. The process in question determines itself as the autonomously regulated human process of social metabolism; that is to say, the process in which society allocates its total labor-power among the different concrete modalities of labor by representing the socially necessary abstract labor embodied in the products of the concrete labors carried out by the independent private producers, as the capacity of these products for relating among themselves in exchange. The general social relation that rules the process of metabolism that is able to produce its own medium takes the form of *commodities*; and the socially necessary abstract labor in that way represented, becomes *the value* of commodities. In commodity production, material production produces, at the same time, the general social relation. The private producers lack any direct general social relationship among themselves. They must act, and consequently see themselves, as being mutually independent. They come to face their general social interdependency only through the mediation of their material products. Therefore, this relation appears to them as an attribute inherent in the material form itself of these products, as a fetishistic social relation.

Commodities develop themselves insofar as the concrete unit of their natural form, use-value, and their specific social form, their value-form. In this development, the exchangeability of commodities negates itself as simply such, to affirm itself as the direct exchangeability only of the commodity that all of them detach as their general equivalent, money. From here on, commodity production realizes its necessity by taking the production of this general representative of value, the production of the general social relation in its substantive manifestation, as its general object.

Social production as a production of value transcends itself, realizing its necessity by producing more value by means of value itself, by transforming money into capital. As an accumulation of means of production and means of subsistence for the laborers that opens its productive metamorphosis, capital submits living labor to its necessity of valorizing itself. This is no longer a production of use values regulated by the condition of these as values. It is not even a production of use values which is only a means for the production of substantive value. This is a production of value in itself that yields as its result the production of use values and, hence, of human beings. This happens to the extent of determining as productive,

no longer the labor that transforms the environment into a means for itself, not even the one that produces value, but only the labor that produces surplus-value. Capital, materialized labor and, as such, a means for the human process of social metabolism, has taken possession of the generic potentialities of this process. Capital thus presents itself as the alienated incarnation of the generic human being. The product of social labor, a material product that is at the same time the materialized form of the general social relation, has transformed itself into the concrete social subject. From being a formally fetishistic material form, this product thus faces its own producers as the one which produces them, as a real fetish, so to speak.

Whether they like such an alienation of their generically human potencies or not, the bourgeoisie and the proletariat cannot but personify these potencies which now belong to capital. Capital is itself the one that produces and reproduces human beings giving them the concrete forms of the bourgeoisie and the proletariat, on realizing its necessity as a process of simple valorization by transcending into the reproduction of this process. The simple reproduction of capital develops into the process of capital accumulation. Relative surplus-value affirms itself as the general concrete form of this process. As such, its simple form (the increase of labor's productivity in the spheres that directly or indirectly produce the means of subsistence for the wage-laborers) becomes a double determination to the transcendence of the process of capital accumulation from being simply itself.

Above all, the reproduction of the increment in the productivity of labor takes its general concrete form in the increased concentration of the masses of capital individually put into action. And this concentration clashes against private property of capital; not just with particularly restricted forms of this property, but with it in itself. In turn, the reproduction of the increase in the productivity of labor takes its equally general concrete form in the submission of all aspects of production to science; the reproduction of the simple increase of relative surplus value, in the same submission concerning consumption. From which, capital, our specific social relation, carries in itself the necessity of annihilating its historical concrete base, as well as its historical reason of existence; that is, private property in general, as well as the insufficient development of human capacity for consciously ruling its process of social metabolism. In brief, capital carries in itself the necessity to annihilate itself, as its own potency. Since it is empty of any immediate necessity other than the purely quantitative of increasing its own value, capital cannot find a qualitative limit to its valorization process inside itself. It cannot find this limit even in its own impotence as a concrete form of the human process of social metabolism that emerges from the negation of the potencies of the conscious regulation of this process. Hence, from its very root, capital carries in itself the necessity of acquiring the most brutal forms in the exploitation of human labor to satisfy its insatiable hunger of surplus-value. Still, from here, its specific historical potency to drive itself beyond its own limits also arises.

As capital accumulation advances in the concentration of the scale of individual capital and the scientific organization of production and consumption, it transcends the narrow base of private property, already in what this directly personifies in the bourgeoisie the general organization of that process. Capital thereby deprives the bourgeoisie of its historical *right* to exist. At the same time, it determines the very working class from whose surplus-labor it feeds itself, with the mediation of developing it as a collective laborer, as its own general personification. This personification does no longer enclose in itself limitations to its condition as such. Therefore, it is the most genuine concrete form of the process of capital accumulation. And, as such concrete form, it is the working class who carries in itself the necessity of personifying the annihilation of capital. This annihilation is, in itself, that of social classes. It is the annihilation of the bourgeoisie, straightway; no wonder why the

bourgeoisie resists it with tooth and nail. But, in this same annihilation, the working class realizes its own necessity, negating itself absolutely as such, certainly, to affirm its potencies as the human potencies of the freely associated individuals; that is to say, of the concrete subjects of the human process of social metabolism that consciously regulate this process on cognizing, each of them, their own determination as such subjects. It is about the supersession of capitalism in the third main step in the historical development of human society, i.e., realized socialism or communism. However alienated in capital this revolutionary potency may be, or better stated, precisely for being such alienated potency, it shows itself as the working class' own potency. And, as the point is the general organization of the process of capital accumulation, the production of the present general social relation, it shows itself as a potency that has the political revolutionary action of the working class as its general concrete form of realizing itself.

Gray is the theory ...

Since its birth, scientific theory has not ceased to increase its potency to transform reality. We can see it today advancing through a renewed deep revision of itself. Once again, it is multiplying its transforming capacity over real forms that were beyond the scope of human conscious action. Apparently, its development has no limit other than the conscious control over all the processes that concern human life. Therefore, scientific theory apparently is the form that the conscious regulation of the human process of social metabolism necessarily takes. Yet, scientific theory itself has already discovered that it moves in quicksand.

As any scientific theorist can tell us, a scientific theory is, above all, a *representation* of reality in thought, by means of ideas. As such representation, all scientific theories result from a constructive process carried out in thought, following a necessity inherent to this process itself, i.e., a *logic*. Theory takes the chaotic mass of real forms that present themselves to analysis and represents these forms by placing them in the general relation dictated by logic. Beyond this point, the complete agreement among theorists breaks off. Today, most of them consider that representation must follow, given the nature of its object, a *formal* logic. Formal logic (even as fuzzy logic) conceives real determination - i.e., transformation - as an abstract immediate affirmation. Confronting this main-stream conception, critical theorists appeal with no less strength to *dialectical* logic. Dialectical logic represents real movement by the interpenetrating, by the antagonism (simple or over-determined), the relative autonomy, of opposites.

Theorists do not agree either concerning how theories take shape in scientists' minds. For some, a theory results from a careful observational process upon reality. For others, it bursts from the sole scientist's mind. And there are those who consider that a theory can only truly arise in a direct relation with practice.

Regardless of the differences theoreticians may have concerning logic's form or the source of their theoretical production, their initial coincidence is wholly reestablished as soon as they complete their constructive courses. They all start from the conviction that scientific cognition naturally takes form in the formulation of theories. Now, once they are formulated, theories immediately appear to them as what they are: as mental constructions that do not carry in themselves any real necessity other than the necessity imposed by their logical coherence. Thus, theories cannot go beyond being the formulation of hypothesis about the reality that exists in potency. Strictly followed, the method itself of theoretical cognition makes evident by itself the irreducible externality of its product, the ideal representation of

real concatenations, with respect to these ones' necessity. This evidence is the evidence of the equally irreducible externality between scientific theoretical cognition and scientific cognition's own generic aim (i.e., the regulation of the real appropriation of the means of human life, the regulation of action, under the form of an ideal appropriation of the necessity of this action).

Theories thus face their *moment of truth*. They must prove their correspondence with reality, if they are true or false. To formulate a theory is in itself to represent a real necessity as *a regularity* (even if this regularity is no other than the absence of regularity). From the viewpoint of scientific theory, the question is to reach the certainty about the presence of the hypothetically postulated regularity in the singular case upon which action is going to be taken. Let us assume that the hypothetically postulated determination has been verified by comparing the foreseen results with the real ones in all the cases of similar appearance taken into consideration. Nevertheless, this fact does not allow one to be logically certain about the unavoidable extension of the regularity to the singular case now faced. Therefore, theories cannot be verified previously to the action based upon them. Scientific theory seeks for the solution to this impasse by turning the problem upside down: although theories cannot be verified, at least their potential falsity can be proved. To do so, it suffices with finding one previous singular case from which the postulated relation has been absent. When this happens, the regularity of that relation with respect to the case now faced can be put into question. Still, this circumstance does not allow one to go any further concerning the original problem. Although one can establish the falsity of a hypothetical relation in each case submitted to proof, nothing logically allows one to be sure that this relation will not arise, from the new case at stake on. Still, above all, although it could free one from mistakenly believing that one knows reality, even the certitude concerning the falsity of a theory would leave one as lacking that positive cognition as one was.

In addition, the scope of scientific theory does not appear only limited by the relation of its results with reality. Gödel's theorem presents scientific theory as having a limit to its scope in its logic itself. Even in the specific field where the limitations to verification naturally do not come in, mathematics, scientific theory has already shown its frailty. If it tries to build mathematics by coherently following the development of formal logic, it arrives at Russell's insoluble paradox. If it tries to avoid this paradox by axiomatically ruling it away, it cannot even justify such a spurious procedure through its success: it ends up backfired by Skølem's and infinite regression paradoxes. At the same time, modern scientific theory represents the measure of the necessity which actually exists as a possibility that relates with itself in its realization, through chaos theory. In it, reality's nature itself apparently places an absolute limitation to the certainty of scientific cognition.

The theoretical stream that directly flows from modern Positivism accepts these limitations to the scope of scientific theory, that arise from the externality of the logical necessity with respect to the real necessity that is represented, beyond any doubt. It starts with Popper's self-complacent whining about 'rationally discussing' what cannot be 'rationally proved' to have any real content, goes on with Feyerabend's degraded 'everything goes,' and ends up with Rorty's open contentment. Post-Modern theory has its own existence determined by the social necessity to theoretically assert, as an absolute truth, the impotence of any scientific cognition to overcome theoretical incertitude. Yet, what alternatives offers us the scientific theory that sees itself as the genuine criticism of Positivism?

To begin with, we find the critical scientific theory that counts on overcoming the impotence of theory to reach the certainty concerning its truth thanks to the presumed superior self-consistency of its dialectical logic: while formal logic can only represent the

results of movement in general, dialectical logic represents this movement in itself. How does critical theory know this? Because it considers the form in which this movement manifests itself once and again as the unity of two opposite elements². Or because it thus acquires a greater range in its 'explanatory power,' in its ability to demonstrate the necessity of the observed phenomena³. In the first place, the self-consistency of logic does not add more content of reality to the theoretical hypothesis than that of being the product of a constructive course developed with a greater or lesser self-consistency. In the second place, not even a step has been given here towards the reason of the general real necessity, beyond its appearance of an abstract repetition. Or, even worst, the certainty concerning the content of reality of a theory is declared possible by appealing to an absurd sort of inversion of the proof: the point is no longer to demonstrate the theoretical necessity in reality, but the necessity of reality through logic. In both cases, the necessity of contrasting the result theoretically predicted against reality remains untouched. In fact, all the question has come down to contrasting the representation's most abstract form, its logic, with the concrete real forms. This attempt to overcome the limitations to the reach of scientific theory does nothing but to renew them.

Critical scientific theory steps backwards. It now accepts that verifying its results is only possible as the foresight of main tendencies⁴. Still, it happens that these tendencies have no way of realizing themselves other than in concrete human action. And the action that realizes a tendency can appear as its very negation, inasmuch as the inverse relation may be possible. Let us recall that, 'all science would be superfluous if the form of appearance and the essence of things immediately coincided.'⁵ Thus, the nebulous field that goes from the tendencies that are presumably known to the necessity of the concrete action that realizes them, is consecrated as the kingdom of opportunism, by the critical scientific theory itself.

Critical scientific theory seeks for the solution inside the theoretical procedure itself. It tries to solve the question of the certainty concerning the reality of theories through the immanent critique of theoretical developments⁶. Still, to be such, this immanent critique must follow the logical necessity even more rigorously than the criticized development. Therefore, deep as it may go into a theory, this immanent critique has no way of overcoming the externality of the logical necessity with respect to the real necessity.

Critical scientific theory does not know if its own impotency must horrify or fascinate it. In both cases it goes on by considering itself free from the hopeless problem of verification. In the first case, because it has decided that its truth criteria reside in its moral foundations, in the elevated aims that guide it⁷. That is to say, it presents itself necessarily constructed on the basis of a philosophy. We come thus face to face with the ideological negation of scientific cognition, i.e., philosophy, placed as the necessary departing point of the scientific cognition

² Joja, Athanase *La Lógica Dialéctica y las Ciencias* Buenos Aires: Juárez Editor, 1969. Lefevre, Henri *Logique formelle, logique dialectique* Paris: Editions Anthropos, 1969.

³ Bhaskar, Roy *Reclaiming Reality* London: Verso, 1989. Parekh, Bhikhu *Marx's Theory of Ideology* Baltimore: The Johns Hopkins University Press, 1982. Smith, Tony *The Logic of Marx's Capital* Albany: State University of New York Press, 1990.

⁴ Bhaskar, Roy *Reclaiming ...*, *op. cit.*.

⁵ Marx, Karl *Das Kapital*, Vol. III, Frankfurt: Ullstein Verlag, 1980.

⁶ Adorno, Theodor *Negative Dialectics* London: Routledge & Kegan Paul, 1973. Gunn, Richard 'In Defense of a Consensus Theory of Truth', *Common Sense*, 7, 1989.

⁷ Gramsci, Antonio *Quaderni del Carcere I-IV* Torino: Einaudi, 1975. Habermas, Jürgen 'Teoría analítica de la ciencia y la dialéctica' *La Lógica de las Ciencias Sociales* México: Grijalbo, 1978. Kolakowski, Leszek 'Karl Marx and the Classical Definition of Truth', *Marxism and Beyond* London: Pall Mall, 1969. Korsch, Karl *Marxism and Philosophy* London: New Left, 1970. Murray, Patrick *Marx's Theory of Scientific Knowledge* New Jersey: Humanities Press, 1988.

of reality. In the second case, this scientific theory directly declares any question concerning the truth or falsity of a theory to be meaningless. It starts by resolving that scientific cognition only deals with the mental forms through which it represents reality, but not with the real forms themselves. Hence, it declares eliminated by nature the necessity to confront the reality of the theoretical construction. From here on, it believes enough with declaring itself the working class' revolutionary doctrine, to sustain its cognitive superiority⁸. Thus, it can only end up by concluding that all which matters concerning a scientific theory is its usefulness towards promoting action⁹. What does not have to matter in the least to accept this complete emptying of scientific cognition, is that the action thus based can be anything but an action with cognition of cause. We are dealing with an action that sees itself having no other aims than those it abstractly ascribes to itself. Dressed this time as heuristics, ideology takes the place of scientific consciousness regarding the necessity of one's own action.

As a last resort, critical scientific theory vindicates practice itself as the instance that renders the verification of hypotheses possible¹⁰. Unfortunately, the realization of this verification presupposes the realization of the action. This position implies by itself that there was no way of knowing if the theory was true or false, in the very moment that the action was performed; that is, when cognition really matters. Likewise, this fact uncovers the vacuity of the attempt to overcome the impossibility of verification by alleging that scientific theories are not 'predictive' but 'explicative'¹¹. Thus pushed beyond any hope, critical scientific theory tries to conceal this fact attributing the potential of verification, not to each concrete singular practice but, to an abstract social practice. Theory is verified, we are told, in the historical development of the transformation of reality accomplished by society on its basis¹². Of course, any other ideological representation, e.g. religion, can make the same claim in its favor.

Reached this point, critical theory does not need to give even one further step to consecrate, together with the successors of Positivism and with Post-Modernism, the socially dominant representation as the possible scientific truth; and, hence, that only is scientific that which the referees of scientific community pronounce as such. Stated in 'critical' terms, that the course of certainty about scientific cognition runs through hermeneutically incarnating intersubjectivity, thanks to communicative action. Of the critical intention merely remains the assertion that, just as the restraints to theory apply to natural science, the limitation of social theory to cognize reality insofar as it exists as a potency will asymptotically reach its resolution under socialism¹³. Or, otherwise, it merely remains the assertion that the very necessity of scientific cognition concerning social forms will be extinguished in socialism, on representing the overcoming of alienated consciousness as the possibility of wholly cognizing these forms in an immediate way¹⁴; as if socialism were not the supersession of the form of social regulation which, in turn, has precisely emerged from the insufficiency of immediate cognition to carry out that regulation. Thus, in both cases, the alleged critique even surpasses

⁸ Althusser, Louis 'The object of *Capital*' in *Reading 'Capital'* edited by L. Althusser and E. Balibar, London: New Left, 1970.

⁹ Wolff, Richard and Resnik, Stephen *Economics: Marxian versus Neoclassical* Baltimore: The Johns Hopkins University Press, 1987.

¹⁰ Carchedi, Guglielmo *Class Analysis and Social Research* Oxford: Basil Blackwell, 1987. Negri, Antonio *Marx Beyond Marx: Lessons on the 'Grundrisse'* Massachusetts: Bergin and Garvy, 1984.. Thompson, E. P. 'The Poverty of Theory' *The Poverty of Theory & Other Essays* London: Merlin Press, 1981.

¹¹ Bhaskar, Roy *Reclaiming ...*, *op. cit.*.

¹² Habermas, Jürgen 'Teoría ...', *op. cit.*.

¹³ Gramsci, Antonio *Quaderni ...*, *op. cit.*.

¹⁴ Cohen, Gerald *Karl Marx's Theory of History: A Defense* Oxford: Clarendon, 1978.

the modern successors of positivism when the time comes to elude the questions that today emerge in concrete practice from the non-verifiability of theories, by presenting these questions as matters of pure scholasticism.

In fact, not even the realization of an action solves the problem of the truth or falsity of a theory. The attempt to verify it at this point is not only inopportune late, but impossible. The concrete real forms - resulting from an action - that fall inside the scope of one's cognition without the mediation of the theory one wants to verify, may completely agree with the theoretically foreseen ones. Nevertheless, this agreement does not tell one anything concerning the correspondence between the real determinations that the concrete forms carry in themselves and the ones theoretically conceived. It suffices with recalling that, since scientific theory represents the generic necessity by regularity, it is impelled to give as the cause of phenomena the very form of them. Which theory concerning any voluntary action can resist falsification better, but that which presents human will as the determinant of this action? And if the "revolutionary or democratic will", the "will to advance or to dominate," etc., are quite haggard lately, it is only because the season of boasting by naming *rational choice* one's shortsightedness - but, rather, *irrational philistinism* - has arrived. Again, the abstract forms do not manifest themselves identically to themselves in their concrete forms.

However we face it, the point is that it is impossible to logically show the truth of scientific theories previously to action. Any action based upon them cognizes its own necessity only through the relations it establishes to represent the real forms. At best, this representation is based upon the discovery of the abstract determinations, by separating that which repeats itself from that which does not. At worst, it directly establishes relations between the abstract determinations according to the author's opinion. Whether we like it or not, scientific theories cannot go further than interpreting reality in different ways. They are ways of interpreting the world. However powerful an action based upon a theory may be to transform reality, it is in itself the negation of the action which thoroughly cognizes its own necessity beyond any appearance, insofar as it is based upon an interpretation. No wonder scientists themselves end up condemning scientific knowledge, as a consequence of its logical method itself, to the field of 'exhausted utopias', of hopeless 'emancipating grand narratives.' This happens to the extent that the belief that it must be taken for granted the ideological determination of all scientific cognition, currently passes for the most unquestionable historically conscious criticism of its present general form.

The historical nature of scientific theory

The contradiction is obvious. Any interpretation of a real determination is in itself the negation of the cognition of that determination that has gone beyond any appearance presented by it; the interpretation of one's own necessity is the negation of its complete cognition. As much as scientific cognition is condemned to interpretation, so is condemned to impossibility the general conscious regulation of social life through the cognition by each of its members of his/her determinations as such overcoming any appearance. In other words, as much as scientific theory is the final form of scientific cognition, so is socialism condemned to impossibility. Even the most blatant apologetic cretinism of capitalism has nothing else to ask for: from the lips of its true representatives, the very same scientific method declares that 'the end of history' has been reached, that 'the future is already here.' If one had Orwell's expressiveness, one could well say that when one looks from the scientist to the ideologist, and from the ideologist to the scientist, it already is impossible to say which is which. *The*

question of the form of scientific cognition confronts us as the question of the necessarily historical nature of scientific theory.

In the autonomously regulated system of social metabolism, individuals can only realize their social interdependence through their own independent behavior. Therefore, their social interdependence necessarily faces them as being external to their own necessity as abstractly independent individuals. To their own consciousness, abstract individual *will* seems to clash against the limits that the social interdependence externally opposes it. This determination, specifically inherent in a commodity-based society, immediately excludes the complete cognition of one's own necessity as the general form of consciousness in this society. The alienation of human potencies as potencies inherent in the materialized general social relation, commodities, acquires, in this exclusion, the form of an alienated consciousness. This apparent consciousness begins its specifically capitalist development by necessarily representing the extraction of surplus-product from wage labor without compensation, as an exchange of commodities where only equivalents are involved. The discovery of one's own necessity in any field is, by itself, the negation of this alienation in general.

Capital's necessity concerning scientific cognition faces a contradiction. To increase relative surplus-value, capital is compelled to submit all production and consumption to science. Nevertheless, insofar as scientific cognition is a concrete form of capital's simple necessity to valorize itself, science has no way of overcoming the alienation of human consciousness in capital. *Scientific theory is this contradiction solved.* Scientific theory represents real concatenations by taking the forms where the necessity is already realized - concrete forms - as if they were not, at the same time, forms that carry in themselves a necessity to be realized - abstract forms. It thus puts the real forms as being unable to move by themselves. From this point of view, only an external relation fits between them. It is here that *logic* comes in.

Placed as being incapable of moving by themselves, the real forms are represented as forms that affirm themselves through the appearance of being abstract immediate affirmations. This appearance really corresponds to the self-affirming by means of the negation of self-negation- i.e., to the real quantitative determination, abstractly considered. The logic of scientific theory is, by nature, the logic that genuinely belongs to mathematics. Of course, to be used to structure the representation of qualitatively different forms in general, it must be emptied of the specificity it gets from the specificity of its object, i.e., the specificity of the quantitative determination. Consequently, scientific theory represents it as *formal* logic. Based on this logic, it represents the real abstract determinations by the relations of measure of their concrete forms. This representation allows the conscious regulation of action upon real forms: although the real necessity at stake is not truly known, it is possible to act upon the magnitude of the real forms, transforming their quantity until making it correspond to that of a qualitatively different form, thus transforming their quality itself. The limits to the scope of this action become evident as soon as the form of its regulation is shown.

Dialectic materialist logic does nothing but to take the same abstract immediate affirmation as the simplest form of real affirmation. Its only specificity arises from representing each of these affirmations as necessarily being united to another one of its same nature, which appears to be opposed to it. That is to say, the simplest real determination, the self-affirming by means of self-negation, is represented as an external abstract relation between opposites. From which, the formulation of dialectical logic can only get to generically enunciate its specificity. Beyond this point, it has no substance left other than the one of the formal logic it carries in itself. So, when it attempts to face any concrete question it

immediately ends up reduced to this logic. Let us consider, for instance, G. Carchedi's development¹⁵, maybe the most elaborated among the many recent ones. Carchedi represents the forms to be determined as being 'contained' as potencies in the determinant ones. It thus appears to transcend the externality of formal logic. Nevertheless, this representation does nothing but to preserve this externality. On its basis, the necessity of facing the fact that the determinant forms are such for being themselves those potencies, is left aside. Next, Carchedi represents determination itself - i.e., the realization by the determinant forms of their necessity as potencies, thus determining themselves as concrete forms - as a 'system' of mutually related already realized forms. The determined forms have no place in this system as the concrete forms in which the determinants realize their necessity and, therefore, as these ones in their concrete existence itself. They only fit in the completely external relation of 'conditions' for the reproduction or supersession of the determinant forms. All the necessity that fits into each of these steps is the necessity of the logical representation of the real determination as an abstract immediate affirmation. To preserve this logical externality, Carchedi needs to reduce the method of inquiry to analysis. Hence, he considers the unfolding of the real necessity in thought as a mere resort for presentation. It is impossible to avoid recalling here with Marx that, 'It is, in fact, much easier to find by analysis the earthly core of religious mistiness than, conversely, from the real relations of life at each moment, to develop their celestial forms. The latter is the only materialistic and, therefore, scientific method.'¹⁶

Dialectical cognition; i.e., the regulation of action in its form of the reproduction of one's own necessity in thought

The critique of scientific theory has no way of taking shape in the formulation of a new logical paradigm. In other words, the critique of the current universally dominating science does not take shape in the construction of a new theory, but in the supersession of scientific theory itself. Thus, it is not about conceiving a new *representation of reality*, condemned by its sole condition as such representation to follow a constructive necessity alien to the real necessity, to follow a logic.

Which is the point then? Let us face the object of our cognition, reality. Outside the theoretical world, reality does not present itself to our minds as an abstract generality. It presents itself as a mass of concrete forms that we distinguish from each other as simply being such. Therefore, we start lacking any way to mentally appropriate the relation these forms have with ourselves, other than by taking them one by one. Whichever we take, it will face us as a potentiality, as a necessity to be realized (at least, in its temporal determination) when we look at it once isolated. There is nothing to wonder about. If real concrete forms are of any interest for us, let alone a nebulous abstractly contemplative one, it is because, as potencies, they can affect us on realizing themselves and, rather, because we can realize the potencies they are with our action.

To discover the selected concrete form as a potentiality, we have just put into action our capacity for immediate cognition. There was no need of any scientific cognition nor, *a fortiori*, of a theoretical cognition. Of course, we can try to realize the discovered potentiality right away with our action. Still we have no guide for this realization other than what the immediate appearance of that potentiality tells us about itself. And our immediate cognition

¹⁵ Carchedi, Guglielmo *Class ...*, *op. cit.*.

¹⁶ Marx, Karl *Das ...*, *op.cit.*, Vol. I.

also tells us that appearances often fool us. The point is to discover the reason, the necessity, of the real potentiality at stake.

However we look at it, the real potentiality we are attempting to cognize has nothing to add concerning its necessity, other than facing us with its appearance of being such potentiality. Nevertheless, our immediate cognition is still far from exhausting its capacity. The selected concrete form already appears as a potency to be realized, whose necessity is not reduced to this potency itself. On doing so, it tells us that we can only search for its necessity as a potency in what it has, not of an actual potentiality, but of a simple already realized actuality.

We thus face the selected real form as an actual existence that carries in itself a potentiality to be realized. To search in the real concrete form insofar as it is a simple actual existence, for the necessity of its existence as a pure potency, we must consider the former form of existence separated from the latter. It is about isolating the necessity from its form of manifesting itself. This is the last thing our immediate cognition has to tell us, since we can only accomplish this separation inside our thought. The time to begin with our scientific cognition of the real concrete form we are facing, has arrived.

Let us separate with our thought the necessity of the real concrete form from its form of manifesting itself. In other words, let us analyze the real concrete form. Thus separated, the necessity that was realized as an actual existence faces us as a potency to be realized, as the potentiality of determining the concrete form in which it is already realized. The real form cut out by our immediate perception thus faces us as a concrete form that is such for carrying in itself its own necessity of existence as a pure potency, i.e., its own abstract form. Since it is the necessity of existence of a real form, this abstract form can neither be more nor less real than its concrete one. In their pure reality, they only differ from each other by the modality in which they carry in themselves the same real necessity. The real necessity the abstract one has as the potency that determines it as such, is that which the concrete one has as its correspondingly determinant actual necessity.

Still, as such potentiality to be realized, the discovered abstract form cannot account for its own necessity either. It can only face us with its own necessity as the other-self that it carries in itself. Nothing is left for us, but to penetrate deeper by means of our thought into our starting real form. And we repeat this deepening, as many times as the abstract form consequently discovered shows to enclose inside itself its own necessity of existence as a pure potency. Therefore, our uninterrupted progress through the link thus defined is the only necessity that formally determines the course of our analytical process.

Let us consider a brief example. Since the point is to transform the world, let us take, from the mass of concrete forms that we start by facing, the form itself we are going to give our transforming action. What is to be done? Our transforming action tells us, thus, just by imposing this first step upon us, that it is not simply itself; that it is itself and at the same time a different thing: the very question of *what is to be done*. It makes us know, therefore, that it carries in itself a determination that is not reducible to it itself. And this is all our transforming action can tell us about itself in its immediateness, though we may face it and interrogate it once and again.

To continue forward with the realization of our action as an action whose regulation pertains to us, as a conscious action, there is nothing left for us but to confront the *what is it to be done* itself. In doing so, the *what is to be done* shows in such immediateness, as it itself and at the same time an other, the necessity of our action. After which, the *what is to be done* has nothing to add about itself, not being through what this necessity of our action can tell us regarding itself. Let us face, then, the necessity of our action. This necessity can only point

out that our transforming will is the other one that it carries in itself; the other one where its own necessity resides. Now, our transforming will can only tell us, concerning its own necessity, that we must search for it in that which our transforming will has of the working class' own transforming will. When we face the working class' will, it cannot give us immediate reason about itself, either. How could it, without forcing us to account for what it has of a simple class will, first? Nevertheless, the clash against the absence of immediateness with respect to self-necessity repeats itself: classes limit themselves to tell us that we must look for theirs, first of all, in what they carry in themselves of the reproduction of the process of capital accumulation.

Let us stop for a moment at this point in the development of our transforming action. So far, it has materialized itself in the search of the necessity of its concrete forms. As such, it has got to tell us that it carries in itself the transforming will of the working class. But it has equally got to tell us, that the will of the working class is not self-sufficient to account for its own necessity, that this necessity transcends it. With which, our transforming action has told us that, just as the transformation of the world takes in itself the working class' voluntary action, neither the concrete forms -and therefore, the working class' political organization - nor the transforming potency of this action, are simply born from the said will itself.

If we want to go on advancing in the realization of our conscious action there is, thus, no other way left for us now but to confront the reproduction of the process of capital accumulation. But, concerning its own necessity, this reproduction does nothing but to point us back to its content of the valorization process of capital. When we face this, it shows itself, insofar as a simple process of value valorization, enclosing a process of simple value production, a production process of commodities. And this process points again back to its material nature, to its content as a process of human life. To account for the necessity of this process, where the exchange between human beings and nature presents itself as a process of work, we need to look back into its necessity as a simple process of metabolism between a living being and its environment. The analysis of purely social forms has turned, in its own development, into the analysis of pure natural forms. Yet, the form of our analysis has not changed at all. We can only go on advancing it by questioning the, now natural, form we come to face for its own necessity, i.e., for the real abstract form it carries in itself as the one that determines it.

Since we are going on advancing over increasingly abstract forms of the determination, the time will come when we are not going to face necessity as the potentiality of this or that determined form any longer, but as the potentiality of determination itself: as much as our object is a determined concrete real form, determination itself is its abstract real form as much as any other. But it is not an ordinary abstract real form. As the rest, it starts by facing us as a concrete form. Still, insofar as such concrete form, it is a pure potential necessity, the necessity itself of being determined and, consequently, an abstract form. Its potential necessity is no longer an-other of its concrete form, but such potentiality is what this real abstract form is insofar as a concrete form. This simple real form has the necessity of its own existence as an immediate actual necessity, it is existence in itself. Still, as far as this actual existence the simple form has is the necessity of transcending from itself into realized determination, the simple form is, at the same time, potential existence. As such, simple existence, *matter*, is a contradiction in itself. Then, it has no way of affirming itself other than by realizing its potency as a determination to be realized, that is, by negating itself as such potency to affirm itself as a realized determination.

We are thus facing the simplest moment in which the necessity of the concrete real form we have originally selected and, consequently, of our action, unfolds itself. Now, since it

becomes the affirming of the simple form by means of its negation as such, the realized determination is the real reproduction of the necessity of self-affirming by means of self-negation. And as such it unfolds in the development of the progressively more concrete forms of our real object. Each of these concrete forms (which is such for actually existing as a realized necessity) is, precisely for that reason, an abstract form (which is such for actually existing as a necessity to be realized, as a potency). Thus, determination develops into the transformation of an existing form, on negating itself in its actuality insofar as an abstract one by affirming itself as a realized necessity, a new concrete form, whose actual existence is that of being its self-negation as such concrete form, by self-affirming as a necessity to be realized. When a form simply affirms itself by means of its own negation, its necessity reaches its term, acquiring a more developed shape both as an already realized and as an actual potency. The form determined by the original necessity thus transcends its quality, realizes its *qualitative* determination. The necessity that determines the new form as a potency has emerged purely and exclusively from the primitive one; hence, the new necessity is nothing but the realized form of the primitive one and therefore, it itself. However, as the negation of the negation, this potency is nonexistent for that primitive form in its abstract condition as such: it is just a potency inherent in its concrete forms. Do we have a better way to thoroughly cognize the qualitative potential of any given form, other than by reproducing with our thought the real necessity that has come to such form in its development, by ideally following this development?

At first, an abstract form exhausts its potency on becoming its corresponding concrete form. Still, as any other, the very form of realizing necessity undergoes its own development. Now, the abstract form is in itself not one but many different necessities to be realized. Moreover, these are potencies whose realized forms mutually exclude themselves as the same concrete form, potencies that exist together with their contraries. Such potencies do not have their actual existence in the abstract form as a simple power to be, but as a power to be that is, at the same time, a power not to be: as *possibility* or *contingency*. The abstract form exhausts its necessity only on becoming a diversity of concrete forms, each of them solving the mutual compatibility of those potencies as realized ones. Abstract forms thus determine themselves as *genus*; their concrete forms, as differentiated *species* in which the genus realizes its necessity.

Since it is a concrete form taken by determination, possibility itself develops into a necessity actually existing as a possible potency, that has the necessity of the very course of its realization determined as a possible potency. The determination of the species by the genus thus develops through the mediation of possibility as a specific form the realization of possibility itself takes.

As an already realized possibility, a species is completely impotent concerning the determination of its own possibility. From its viewpoint, the realization of necessity - *causality* - takes the form of *casualness*, of *accidentalness*, of the necessity that, at the same time, is no necessity whatsoever. Each species thus appears as the absolute materialization of the generic potencies that have directly determined it; and these potencies, as its circumstances or conditions. *Life* is the overcoming of species' impotence concerning their own determination as concrete modalities through which possibility is realized: it is the concrete form that has the potency for appropriating its own conditions and transforms them into concrete existences, thus determining itself as an abstract form. Life advances in its real potency by appropriating its conditions in their very virtuality. Life is thus determined as the transforming action that regulates itself through the *cognition* of its own necessity. Seen from the outside, just because it is completely determined as a necessary concrete form of matter,

human action can transform other forms of matter into forms for itself; and, therefore, can transform itself. And only because it finds itself thus determined, human action necessarily becomes, in the historical process, a *free* action: an action that integrally cognizes its own necessity.

As it is obvious, in a previous stage of the exposition we have unfolded what remains of our return to the increasingly concrete forms of the necessity of our conscious transforming action by reproducing it through the path of thought. This, and no other, is the necessity that makes the "tree of life green." At a certain point of that unfolding, we have left behind the field of pure natural forms. Thus, we have entered the specific field of the real forms in which a particular process of natural metabolism, that has ceased to be a specific form of animal existence to acquire a generic being (the capacity to produce its own means of living through work), organizes itself. That is, we have entered into the field of social forms. Yet, there was no way to go on advancing in our cognition other than by proceeding in the same way we were doing while we were dealing with simple natural forms. That is, by following in our thought the realization of the necessity that existed as a potency in the real abstract form we had reached already, through which this one transforms itself into a concrete one.

When we are going to ideally appropriate the necessity of our action, we face the object of this action as what it is for us in that moment: something external. We therefore face our object by its immediate exteriority. We overcome the appearance of this immediate exteriority upon advancing through the abstract forms of our object. The analysis inherent in scientific theory separates the abstract forms according to their degree of repetition. It thus stops at their exteriority. On the contrary, the analysis that is going to support the reproduction of the real necessity in thought separates the concrete form that we face, from the necessity that it carries in itself as the other-one whose realization determines it. That is, it takes shape in the discovering, inside the concrete form (and as such, realized necessity), of its abstract form (and as such, necessity to be realized). Given its form itself, this analysis cannot stop until it reaches the real form that does not carry in itself another one from which its necessity arises, but which is, by itself and not by another-self, necessity of negating itself as abstract existence to affirm itself as concrete existence. That is, until we face matter as simply such.

The return towards the concrete forms that comes after the analysis that has stopped in the externality of the abstract forms, unavoidably takes shape in the addition of the non-repeating, and consequently previously excluded forms, to the representation. This process has no other necessity to follow than the purely constructive one dictated by its logic. Hence, the inevitable externality of its result with regard to the real necessity that the action aims at realizing. On the contrary, the reproduction of reality in thought advances by following the development of the necessity that the simplest abstract form carries in itself. As soon as this abstract form realizes its necessity, i.e., it affirms itself as an abstract form, it negates itself as such abstract form to affirm itself as a realized necessity, i.e., as a concrete form. But this concrete form immediately negates itself as such, affirming itself as a form that carries in itself a necessity to be realized, i.e., as a new abstract form. We ideally follow, thus, our real object in its own development. This reproduction of the development of the real necessity by means of thought is unable to get to its end before reaching a form whose necessity exists only as a potency, and this potency has our transforming action - determined as an action that has needed to follow all this path to become a conscious action - as its necessary form of realizing itself. That is, it is unable to get to its end until our action can discover its own concrete form of conscious action, i.e., can discover itself, as the necessary concrete form of the realization of the real potencies at stake. Due to this form of its method, the ideal reproduction of reality is determined as *dialectical cognition*.

In brief, the point is *to virtually appropriate reality by reproducing its necessity through thought, the ideal reproduction of reality*. Hence, the development of scientific cognition as the regulation of the transformation of our present society into the one of the freely associated individuals is the *critique of scientific theory*.

Scientific theories arrive at the formulation of certain general laws, but anyone that has to deal with everyday practical matters knows that there is an abyss between these two. The justifications of the link between *the theoretical model, the theoretical framework* and *the concrete practice* cannot but resemble what Marx referred to as the dialectics of ‘on the one hand ... , on the other hand’ Given the way it proceeds, the ideal reproduction of reality needs to integrally unfold itself upon facing each singular action that is going to be realized. Each singular unfolding carries in itself the production of the general unfolding of dialectical cognition. Nevertheless, the existence of this general unfolding does not allow us any abridgment in the necessary singularity of the renewal of our dialectical cognition. The attempt to immediately relate the general necessity with the singular necessity at stake, can only take shape through the introduction of an external link between them, thus mutilating the twofold process that produces the ideal reproduction of the latter necessity. The existence of the general unfolding only allows us to unfold our cognition process in each singular occasion with the agility of being not just a process of purely original cognition, but a process of recognition in the corresponding part. Due to its very form, dialectical cognition submits to criticism the portion of itself developed up to that moment, in the concrete singularity of each of its renewals. It makes this portion account for its condition as an ideal reproduction of reality faced with the movement of the subject that concerns it. By the way, we can see that abstractly, and therefore externally considered in themselves, all that dialectical cognition gets from the practice based upon it, is a new real more developed concrete that it needs to face in the thus renewed satisfaction of its aims.

The ideal reproduction of reality is a product of the double process of analysis and synthesis, in its indissoluble unity. Nevertheless, it is only in its second phase that this process actually follows the unfolding of the real necessity of the object under consideration and, therefore, where its ideal reproduction in a strict sense, takes place. The exposition of this reproduction is consequently determined. Dialectical research cannot overlook any form pertinent to the development of the necessity of the concrete object that is going to be personified. The critical reading of the exposition of dialectical research unavoidably carries in itself the development of the research process itself by the reader, with the potency that this process acquires as it advances supported by the original research. The nature of this unity between the dialectical cognition already produced and its critical reading results in the independence of the exposition with respect to the necessity of strictly presenting each and all the ties discovered by research in the development of abstract forms into their concrete necessary forms. According to its specific aim, the exposition can thus be limited to fully unfold only the discovered ties that are essential for enhancing the critical reproduction of the research.

When we face the magnitude that the necessity of our action has, to cognize it as such, we have to deal with a real form in which the general self-affirming by means of self negation has developed into its specific form of self-affirming by means of the negation of self-negation. In other words, we have to deal with a real form in which the general necessity to become has acquired the specific form of the difference determined as indifference. Hence, we have relations to discover, but we cannot discover them by following their development with our thought. We can only discover the quantitative relations in a completely external way with respect to the unfolding of their own necessity as the abstract real forms they are.

Lacking a real necessity whose development it can ideally follow, our cognition process has to provide itself the necessity of its course; that is, a strictly constructive necessity. Inasmuch as we unfold the ideal *reproduction* of reality as a process of measuring, as mathematical cognition, it necessarily takes the form of an ideal *representation* of reality. Nevertheless, the nature itself of the object of this representation, where the content appears in its form by means of the negation of its own negation, overcomes any restriction to the validity of the logically represented relations. This happens to the extent that the process of recognition of an original demonstration may be accomplished by simply reproducing this demonstration, but also as the mere application of a previously demonstrated formula, that is., just by showing the relation as demonstrated.

Freed from the inversion due to its use as a representation of qualitative determination in general, logic directly reflects the specific quality of its object, quantitative determination. The logical relations do not appear now as representing attributes inherent to abstractly mental forms, to the truth or falsity of one's logical thoughts. These relations immediately show themselves as what they are: representations of the concrete forms of the real quantitative determination. The need to empty logic of the specificity of its object, forces the representation of *the number* by *the set* in the mathematics produced by scientific theory. Nevertheless, the set is the unity of continuity and discontinuity represented under its concrete form of the term of the unity between intensiveness and extensiveness. The development of the representation of the concrete forms that mediate between this unity and the true concrete form that is represented by the number, i.e., the identity of the unit and the multiplicity where the exteriority of the quantitative determination appears completely unfolded, is consequently inverted. It does not appear under its proper shape of a simple logical development, but as a representation of the magnitude of an abstract form by the relations of measure of its concrete forms, as *mathematical analysis*. Thus proceeds the universally dominant mathematics today. It starts with the representation of the number as a set (G. Frege), follows with the relations between *transfinite magnitudes* (G. Cantor), and ends up by representing the realization of the relation of the unit with itself in the degree of multiplicity as the *limit* of the change of the ratio between variables (K. Weierstrass). Hence, the development of dialectical cognition carries in itself the necessity to revolutionize scientific cognition even in the part in which this cognition keeps representation as its necessary form.

The apparent separation between cognition and practice stems from the nature of the historical stage of humanity's development in which the regulation of the process of social metabolism by means of thought - the specifically human regulation of the process of social metabolism - is alienated, turning itself into a concrete form of the autonomous regulation of this process by the production of value. Only in this historical stage can scientific cognition appear denying its true immediate condition as the necessary form taken by the regulation of conscious action. Moreover, scientific cognition can even appear as the very denying of action, as its abstract opposite, in other words, as theoretical cognition. In the very form of its method, that is, as *dialectical cognition*, the reproduction of one's own necessity by means of one's thought immediately shows itself excluding all appearance of externality in relation to the action that it sustains. It shows itself, therefore, as what it is: the regulation of such action, that is to say, a specific portion of this action and, consequently, this action itself. Scientific research thus overcomes all appearance of being the abstract opposite of practice, to affirm itself as *practical criticism*.

As a concrete form of social relations, the conscious regulation of the process of social metabolism under the form of the ideal reproduction of reality - dialectical cognition- is necessarily a task of the collective laborer cut off by the execution of the transformation of its

environment on the basis of this regulation itself. This collective laborer only affirms itself in its unity as such with respect to the process of the virtual appropriation of reality, in the development by each of its members of, at least, the whole reproduction of the necessity of the portion of the collective action that, as such member, it is for him/her to perform. Consequently, inside this collective laborer there is room for the differentiation between the partial moments in which the regulation and the, in a restricted sense, realization of the action are unfolded. Still, the separation between the regulation and the, in a restricted sense, realization of each of those partial moments (the separation between the cognition of the necessity of the action and the execution of the action itself) lacks any way of finding room inside the collective laborer. In brief, the action regulated under the form of dialectical cognition abolishes the separation between intellectual-labor and manual-labor. For the time being, this regulation of action is a necessary concrete form of capital. In turn, capital is the very negation of the consciously regulated process of social metabolism. Nevertheless, because of its very form, dialectical cognition carries in itself, as its own necessity, that necessity inherent in the process of social metabolism consciously regulated: the necessity of being the product of the freely associated individuals. In the development of the form of its process determining the necessary form of the social subject capable of realizing it, dialectical cognition makes evident, by its sole form, that it is only a potency of capital insofar as this one has its own annihilation through the development of the material conditions for the said conscious regulation, as its historical necessity. Only because it is thus determined by its specific form of ideal reproduction of reality as a class product, as the working class' science, scientific cognition frees itself from any ideological determination.

Marx's advance towards conscious revolutionary action; Marxism's retreat to ideology

Insofar as a simple regulation of the process of social metabolism through the valorization of value, capital does not find any limit to its development in the capacity of the reproduction of reality in thought for transforming nature into a means of human life. On the contrary; the complete development of this cognition is the realization itself of the conscious regulation of the process of social metabolism and, therefore, the overcoming of the limitations to that transformation of nature that arise from the necessary unconsciousness concerning the alienation of human potencies as capital's potencies. Still, it is also capital the one which carries in itself this necessity of annihilating itself. From which, the development of dialectical cognition as the necessary concrete form of realizing itself this capital's potency, unavoidably has to start by producing the consciousness of its own historical necessity; that is, by producing the consciousness of the specificity of the social forms that give birth to it. It is only upon recognizing itself in this, its own potentiality, that the ideal reproduction of reality is able to advance over the simply natural forms; and even, to face the cognition of its own concrete forms as such reproduction.

Karl Marx accomplished the original development of the ideal reproduction of the specificity of present-day process of social metabolism, of capitalism, until discovering its necessity to annihilate itself in the conscious regulation of the process of social metabolism. On doing so, he gave shape for the first time to the reproduction of a real necessity by means of thought. From Marx on, any process of cognition of this kind concerning social forms over which we need to act in a revolutionary manner is, in what is thus determined as its general part, a recognition process from the social point of view. Still, we can very well say that it is not about *reading Capital*; nor even about *studying* it. The point is to face capital's real forms

by ourselves to ideally reproduce them, with the potency we acquire by having at our disposition their ideal reproduction developed in *Capital*. Actually, the development by oneself of this task is the only critical way to recognize the original specificity of Marx's procedure concerning scientific method. Any other way implies an attempt to unfold the real necessity that is present here in a mode external to it; therefore, it implies to represent this necessity. Nonetheless, it is fitted here for us to go on a little further into the question.

Hegel already clearly pointed out the difference between representation, whose development obeys a necessity external to its object, and dialectical cognition, that follows the unfolding of the necessity immanent to this object¹⁷. Nevertheless, he was unable to avoid the appearance that it is about the necessity of the Idea itself,

While he develops the ideal reproduction of capital's necessity, Marx stresses the specificity of the method he has discovered, in his well known remarks on scientific procedure. For instance, it is worth repeating here the already quoted 'It is, in fact, much easier to find by analysis the earthly core of religious mistiness than, conversely, from the real relations of life at each moment, to develop their celestial forms. The latter is the only materialistic and, therefore, scientific method.' Of course, Marx's most famous comment on the matter is the so frequently quoted one where he directly describes his research method and defines its result as the reproduction of reality in thought: 'The concrete is concrete because it is the synthesis of multiple determinations, therefore, the unity of diversity. It appears in thought then, as a process of synthesis, as a result, not as a point of departure, although it is the true point of departure, and, therefore, as well, the point of departure of intuition and of representation. In the first path [the analysis], the sheer representation was condensed to abstract determination; in the second one, abstract determinations lead to the reproduction of the concrete by the path of thought.'¹⁸

Nevertheless, Marx does not get to develop the specific difference between this scientific cognition that ideally reproduces the real necessity and theoretical cognition, that only represents it. In other words, he does not get to face this ideal reproduction as the critique - the supersession - of scientific theory itself. This happens to the extent that he refers to his own scientific works and discoveries as being of a theoretical nature. Certainly, in Marx's time scientific theory had not yet got to unfold its ideological determination as an apologetics of capitalism, no longer for its potency but, for its lack of potency to transform nature in full cognition of cause; that is to say, scientific theory did not yet need to boast about its own limits to consecrate the impossibility of the conscious regulation of social life. Marx was then able to advance for the first time in the ideal reproduction of the real forms of capitalist society until discovering its historical character, without confronting the necessity of making explicit the specific difference between that reproduction and theoretical representation, inasmuch as this difference embodies in the form itself of one and the other cognition process. Still, the sole materialization of this advance violently pushes scientific theory towards the exhaustion of its capacity for self-criticism in the complacency with respect to its own impotence.

What does Marxism have to say about the specificity of the method discovered by Marx? We can hardly find a more expressive synthesis than Lenin's non less widely quoted assertion 'If Marx did not leave behind him a "Logic" (with a capital letter), he did leave the *logic* of

¹⁷ Hegel, G. W. F. *The Science of Logic* New Jersey: Humanities Press, 1969.

¹⁸ Marx, Karl 'Einleitung [zu der "Grundrissen der Kritik der politischen Ökonomie"]' *Marx/Engels Ausgewählte Werke*, Vol. II Berlin: Dietz Verlag, 1985.

Capital.¹⁹ Let us briefly unfold the point once more. Reality, matter, has the self-affirming by means of self-negation - the necessity of self-determining, contradiction - as its general form. Hence, each natural concrete form (and therefore, each natural form specifically developed as a social one) is the realized necessity of its abstract forms in their becoming, from the simplest one (matter as such), to one that negates itself as such concrete form (realized necessity) affirming itself as a potency (a necessity to be realized). Cognition is the way in which a subject regulates the realization of its own potency as the necessary concrete form of realizing a potency inherent in its environment, by appropriating these two potencies in their virtuality as purely such potencies. The subject of the cognition by means of ideas always starts by facing its object as something external to itself as such subject. Under its simplest form, this cognition reaches the necessity of the subject's own action just insofar as this one virtually manifests itself to the subject's mind as an immediate link between the mutual necessity of the subject and the object. Consequently, such form of cognition does not go beyond the very exteriority of the subject and of its object. It is determined, thus, as *immediate* ideal cognition. This cognition develops into cognition by means of thought when the subject goes beyond the immediate concrete forms to discover their necessity as realizations of their abstract forms. Nevertheless, on performing this advance, the subject comes up, first of all, against the exteriority of the abstract forms themselves; that is to say, the subject starts by ideally facing the abstract forms in what these forms have of realized necessity, under their appearance as purely concrete forms. From which, the appropriation of a real necessity in thought takes its most primitive specific form by ideally placing by itself in a causal relation the real forms (abstract and concrete ones) starting from the way they present themselves to it; that is, by mentally conceiving links among the real forms on the basis of their exteriority; and, therefore, independently from their necessity. Cognition becomes a mental construction that follows a causality alien to the real one: the ideal *representation* of reality. Logic is the scientific general form of this mental necessity. The appropriation in thought of the real forms in their virtuality transcends the exteriority of these forms by ideally accompanying them in the unfolding of their real necessity. In this way, scientific cognition mentally reproduces their real concatenations, thus taking the form of an ideal *reproduction* of reality. This cognition has no way of proceeding other than by making each real concrete form account for the necessity that it carries in itself as an already realized one, and each abstract real form, for the development of the necessity to be realized which it is.

Reality simply is the self-affirming by means of self-negation. Dialectical cognition, *dialectics*, is the method for virtually appropriating this contradiction that reality is, by following its development with our thought. Seen the other way round, dialectics does not belong in reality but in human cognition of reality; or, rather, it belongs in reality, in matter, in what this one takes its specific form of human cognition. This same condition applies to logic. Still, while the former can only take shape following the development of the necessity of a concrete real form, the latter necessarily has to take an autonomous incarnation as a condition for representing any concrete real form. Hence, any attempt to call the ideal reproduction of reality a logic, even runs into a formal impossibility: the absence of an independent body of ideal relations able to receive such a name. To pretend that logic remains effective in the ideal reproduction of reality, it is necessary to abstract it from its formal and historical determinations, turning it into a pure abstraction (just the same strategy needed to assume that the products of human labor have the form of commodities, or the means of production the form of capital, by nature). To avoid any confusion, we must not forget here

¹⁹ Lenin, V. I. 'Philosophical Notebooks' *Collected Works* vol. 38 Moscow: Foreign Languages Publishing House, 1961.

the formal specificity of mathematical cognition as a necessary moment in the reproduction of reality in thought: to cognize the quantum of the magnitude of a real necessity in itself, we must naturally follow a logical necessity, due to the actual specificity of quantity as the form of the self-affirming by means of the negation of self-negation.

The certainty about the need of a logic to appropriate reality in thought inevitably implies that the real forms are taken as if they were incapable of being the realization of their own necessity, as if life were to be insufflated to them by the cognition process itself. Representations, whether on an idealist or a materialist basis, cannot avoid carrying in themselves this appearance. Let us look at it a little closer. To assert the need of a logical necessity to apprehend in thought any real form means, by itself, to assert that this real form has no necessity of its own to be mentally followed: being there a real necessity, why should we appeal to a mental one instead of just following it through its development, with our thought? Hence, real forms appear as being unable to relate, to move, by themselves at the beginning of the representation process. But they emerge from this process overflowing with relations. Hegel just sticks to this appearance up to its end. He gives logic as its content, that is, as the content of the abstractly ideal necessity, the general form of the development in thought of the real necessity, placed not as the ideal reproduction of matter but as the development of the real necessity itself. Dialectics is thus inverted, appearing as the development of the Idea placed as the real subject that engenders matter. On doing so, Hegel pushed representation beyond its limits. The real necessity was laid there with its strength unchained, ready to be called into action. Naturally, standing dialectics on its feet after such inversion has nothing to do with entering 'matter' where Hegel writes 'idea' and vice versa.

Marx gives a first step in putting dialectics right side up by opposing to the claim of generality of Hegel's logic concept, 'the peculiar logic of the peculiar object'²⁰. 'The peculiar logic of the peculiar object' already excludes by itself the possibility for logic to take a general body as the ideal necessity that cognition must follow and, therefore, its possibility to exist by itself. And what can the 'the peculiar logic of the peculiar object' be, but the reflection in thought of the development of the real object's own specific necessity? Nevertheless, Marx still has not completely developed here the distinction between the ideally produced necessity, the logic, that is, the discursive reason, that takes the place of the real causality in the representation and this real causality itself. It happens that Marx has not gone yet beyond the boundaries of philosophy; so much so, that he still identifies the abolition of the proletariat with the realization of philosophy²¹. But, immediately after in the same year, 1844, Marx faces for the first time the economic determinations of capital as the alienated general social relation of present-day humanity. On doing it, he discovers for the first time in history the real necessity of philosophy as a concrete form of alienated consciousness and how Hegel has developed it to its end. Consequently, Marx does no longer criticizes logic for being a general ideal necessity that displaces a peculiar ideal necessity. He criticizes logic for being an ideal necessity itself that displaces the real necessity that has to be followed in thought to rule one's conscious transforming action. That is, he criticizes logic for its very essence as a discursive reason that represents the real reason in thought, as the necessary form in which alienated thought takes shape: 'In turn, the philosophical spirit is nothing but the alienated spirit of the world that thinks inside its self-alienation, that is, that captures itself in

²⁰ Marx, Karl 'Kritik des Hegelschen Staatsrechts'“ *Marx/Engels Werke* Band II, Berlin: Dietz Verlag, 1965.

²¹ Marx, Karl 'Crítica de "La filosofía del derecho" de Hegel. Introducción' *Obras fundamentales de Marx y Engels* Vol. I, México: Fondo de Cultura Económica, 1982 ('Critique of Hegel's Philosophy of Right. Introduction').

an abstract way. *Logic* [the pure *speculative thought*] is the *money* of spirit, the speculative, the *thought-out value*, of man and of nature; its essence that has become completely indifferent to any real determination and which is, therefore, unreal; it is the alienated thought that hence abstracts from nature and the real man; the *abstract* thought.’²² A little later, in 1847, Marx develops the specific critique of dialectical logic, showing step by step how this ‘absolute method’ starts from categories (that is, from the ideal representation of the real forms) and unavoidably ends up by representing itself as the one who engenders the real forms (Hegel) or by succumbing to its own contradictions (Proudhon)²³.

Hegel’s inversion is embodied in the form itself of the process of cognition; it is embodied in the conception of this process as a logical one. In fact, to proclaim logic as an inescapable condition for scientific cognition is nothing but to consecrate the idealist inversion, that prioritizes a mental necessity over matter’s necessity. To say it once more, the question is not to give rise to a new logic, but to free science from it. Precisely what Marx has done. The claim for a logic in *Capital* is a contradiction in terms. This is something that Marx himself remarks in his comments on Wagner²⁴. And, by the way, for the same reason there is not a single invocation in Marx to a dialectical logic, nor to a logic in general, there is not to dialectical materialism, to historical materialism or to other such *categories* either, that can only be used to *conceive* the real materiality and the real history as the corresponding abstractions.

Nevertheless, according to Marxism everything comes down to inverting dialectics again just by turning into a common place the representation of its development accomplished by Marx as its opposite, as if it were the development of a *dialectical logic*. And it is thus that, by force of abstracting from the real form that is the object of cognition and from the form of the process of cognition, it ends up putting dialectics completely upside-down again, by representing the real necessity of the real object as the ‘inner logic’ of an abstract ideally ‘pure’ form of it²⁵.

Real relations are nothing else than the concrete forms the necessity of self-affirming through self-negation takes on realizing itself. There is no place for ‘external’ relations and, hence, for ‘internal’ relations, among real forms. Concrete forms are the realized forms of the necessity that determines their abstract forms as such, and therefore, this necessity in action through the concrete forms now taken by its potency. But theoretical representation starts by replacing the real necessity with a logical necessity. The necessity itself that determines each real form thus appears as being placed outside it. On which, abstract forms and their concrete forms, and these concrete forms among themselves, appear to be externally related to each other. Real relations, that is, determinations, appear in representation degraded to the category of external relations. The abstract form stands here and, alongside it, the concrete form stands there, with logic placing them into relation. Dialectical logic does it by taking them as the opposites that antagonize or interpenetrate each other, thus representing determination as the unity of these opposites. Of course, for a concrete form to oppose this way its own abstract form, it must be the realization of a necessity neither more nor less developed than the necessity that determines the latter. Therefore, the existence of the concrete form results thus

²² Marx, Karl ‘Pariser Manuskripte 1844’ *Texte zu Methode und Praxis*, II, Munich: Rowohlt’s Klassiker, 1966.

²³ Marx, Karl *The Poverty of Philosophy* New York: International Publishers, 1963.

²⁴ Marx, Karl ‘Notes on Adolph Wagner’ *Karl Marx: Texts on Method* Oxford: Basil Blackwell, 1975.

²⁵ Sekine, Thomas *The Dialectic of Capital* vol. 1, Tokyo: Yushindo Press, 1984; vol. 2, Tokyo: Toshindo Press, 1986.

represented as preceding its own determination. Since it stands on this basis, Marxism cannot avoid fluctuating from representing the superstructure as the mere reflection of the base²⁶, to representing the superstructure being the determinant itself of social organization²⁷. Or it makes one piece of the whole fluctuation, by asserting that the base determines the superstructure, but, in turn, the superstructure determines the base, but the base determines the superstructure in the last instance, but the superstructure has a relative autonomy with a dominant instance, until this string of enunciated determinations comes to an end by being named 'over-determination'²⁸. Still, what actually is to determine, in whichever instance? What is a relative autonomy? is it about the autonomy a dog tied by a chain has? (this is not a joke, but a real statement once published in *Capital & Class*). Marxism has no answer to these questions, beyond naming the jumping from the base to the superstructure, and from the superstructure to the base, a 'dialectical relation.' And not a single step towards unfolding the development itself of the real necessity is given by representing it as a matter of the base 'producing' the superstructure and the superstructure 'helping' the base²⁹ or of the mutual 'ensemble' of structures 'conditioning or limiting' action and action or strategy 'recursively reproducing or transforming' structures or society³⁰; or a matter of material productive forces having 'the primacy' over relations of production and actions being 'functional' to structures 'through human rationality'³¹, or of social being and social consciousness mediated by 'experience'³². No wonder all this ends up giving rise to the belief that, since everything determines everything and is determined by everything, conscious revolutionary action must give way to ideologically based action, that is, to its very negation³³.

The point is not to label 'internal', such irreducibly external relations as 'conditioning', 'limiting', 'primacy', 'functionality,' etc., as dialectical logic does³⁴. The point is to follow the real necessity in its development, to discover how the human material forces of production (through which the human process of social metabolism realizes its generic necessity of appropriating nature to produce itself) negate themselves as simply such to affirm themselves by realizing their potential necessity of regulating their own realization, specifying themselves under their concrete form of relations of production. For being thus determined, the relations of production negate themselves as such concrete forms, affirming themselves as a potential necessity that realizes itself (that is, that affirms itself by negating itself as such potency), specifying itself as the voluntary action of the individuals. In other words, the relations of production are the realized necessity of the material productive forces to regulate themselves that, as such, have the regulated realization of these forces in the voluntary action of the individuals, as their own potential necessity. And this voluntary action is the realized

²⁶ Lenin, V. I. "Materialism and Empirio-Criticism" *Collected Works* vol. 14 Moscow: Foreign Languages Publishing House, 1962.

²⁷ Poulantzas, Nicos *Political Power and Social Classes* London: New Left Books, 1973. Laclau, Ernesto *Politics and Ideology in Marxist Thought* London: New Left Books, 1977.

²⁸ Althusser, Louis *For Marx* London: Allen Lane, 1969.

²⁹ Plekhanov, G. V. 'In Defense of Materialism. The Development of the Monist View of History' *Selected Philosophical Works* London: Lawrence & Wishart, 1961. Stalin, J. V., 'Marxism and Linguistics' in *The Essential Stalin: Major Theoretical Writings* edited by B. Franklin, New York: Anchor, 1972.

³⁰ Bhaskar, Roy *Reclaiming ...*, *op. cit.*. Jessop, Bob 'Regulation Theory, Post-Fordism and the State: More than a Reply to Werner Bonefeld' in *Post-Fordism & Social Form* edited by W. Bonefeld and J. Holloway, London: Macmillan, 1991.

³¹ Cohen, Gerald *Karl Marx's Theory ...*, *op. cit.*.

³² Thompson, E. P. 'The Poverty', *op. cit.*.

³³ Wolff, Richard and Resnik, Stephen *Economics: Marxian ...*, *op. cit.*.

³⁴ Ollman, Bertell *Dialectical Investigations* New York: Routledge, 1993.

necessity of the relation of production that has the realization of the process of social metabolism through the processes of metabolism of the individuals, as its own potential necessity.

As far as the alienation of the generic human potencies impedes the regulation of the process of social metabolism to present itself as such to the individual's consciousness, the material productive forces and the specific form they take as relations of production on regulating themselves, negate themselves as simply such, to affirm themselves as the economic base of society. This base has as its potential necessity, that of regulating its own realization by specifying itself as the superstructure of the legal, political, etc. relations. In turn, this superstructure has as its own potential necessity, that of realizing itself in the voluntary action ruled by a consciousness limited to the appearances of its own necessity, that starts to be such by seeing itself, not as the expression of alienated consciousness, but as the expression of an abstractly free consciousness. In brief, the superstructure is the realized necessity of the material productive forces of society to regulate themselves through apparently conscious individual action and, therefore, this very forces in action.

The real necessity we have been following keeps the form of a simple potency along the abstract forms it takes in its development. This is what makes these abstract forms always appear as being coexistent with their concrete forms, when they are externally seen. Still, inside each step given by their metamorphosis, these simple necessities take the form of possibility and, moreover, of possibility mediated by possibility itself in its realization, as the necessary form of realizing themselves. This is what makes the concrete forms appear as being self-determined. Specially, it makes voluntary action appear as having no determination other than itself, when it is externally seen. And even, on giving a step forward into the field of representation, it makes voluntary action appear completely inverted as determining by itself the material productive forces of society, when it actually has the power to transform these forces because it is their most developed concrete form, that is, because it is determined by these forces insofar as a possible potency, as the necessary form they take to realize their own necessity. And it is on realizing this necessity that determines it as a possible potency, that human action historically becomes an action that rules itself by thoroughly cognizing the necessity that it realizes, that is, its own necessity, by reproducing it in thought: the free action through which the consciously regulated process of social metabolism takes concrete shape.

Nevertheless, Marxism cannot overcome the inversion of the real necessity in the logical representation without overcoming itself. Thus, R. Gunn³⁵ advances far enough in his critique of scientific theory as to realize that the clue is present in the difference between the abstract forms that have a purely mental necessity (which he represents as empirical abstractions) and the reflection in thought of the abstract real forms (represented as determined abstractions). Just one further step seems to remain for Gunn to discover that this difference must necessarily arise from an essential difference in the form itself of the cognition process from which each type of abstract form emerges. It is the difference that runs from constructing abstract forms through logical analysis, to analytically discovering the abstract forms by following the inverse course to the development of its real necessity; and, then, the difference that runs from mentally constructing concrete forms by placing the abstract forms in the relations determined by the same logic, to the reproduction in thought of the realization of the necessity of the abstract forms in their transformation into concrete ones. Still, to give this step and to discover capital as the concrete social subject in which all human potencies take

³⁵ Gunn, Richard 'Against Historical Materialism' *Open Marxism, Volume II, Theory and Practice* London: Pluto Press, 1992.

shape today, or in other words, to discover the necessity of human action in the wholeness of its present determination, are the same thing. Instead of making evident the form of the real necessity, thus closing any appearance of freedom as an abstract self-determination on discovering it as the cognition of the necessity of one's own determination³⁶, Gunn steps back. Not in vain he professes a Marxism that places what is the necessary concrete form of realizing the accumulation of capital, class struggle, as the cause of this accumulation³⁷. Had Gunn followed the development of the real necessity, he would have seen that there is no direct relation between two real forms other than being one the realization of the other's necessity; and that only for being such realization, it can be said that the former is the form of existence of the latter. Nevertheless, Gunn sticks to representation as the only form of scientific cognition. He thus conceives as irremediably external, the real relation of the genus with its species, i.e., the realization of its possible necessity by the abstract form, which thus affirms itself through its own negation becoming a concrete one. Once done this, he represents the concrete forms ('conjuncture') as a 'constellation' of abstract forms. This relation has nothing of an 'internal' one but its being presented as such by Gunn, as even its very name tells us about its externality. Of course, any form can be represented in this relation as the determinant of any other, and therefore, can be represented as the form of existence of any other. Hence, all real necessity ends up degraded to the question of deciding, from 'the indefinite range of what can be inferred from a contradiction', which ones are the 'pointfulness inferences', by resorting to interpretation. Remarkably close to where G. Carchedi arrives when he asserts that: 'In terms of concrete realization, determination means simply mutual interrelation.'³⁸

P. Murray, too, comes to face the difference between the abstract forms that have a purely mental necessity ('general abstractions') and the reflection in thought of the abstract real forms ('determined abstractions') as the clue to the scope of scientific cognition. Still, he cannot go beyond this point either, to face the development itself of the real necessity, and he draws back to the same hindrance of interpretation. Only that, instead of a class antagonism abstracted from its determinations, Murray ends up placing a scientific morality equally abstracted from its determinations, as the motive of conscious action³⁹.

Engels points out how Marx made clear he was not a Marxist. Considering what they call themselves, we must assume that Marxists can only see in Marx's assertion an expression of insincere modesty, or of his sense of humor, as Althusser wants to. It happens that, opposite to Marx, *they really are* Marxists. As its very name shows, *Marxism* is the conception of the *reproduction* in thought of the specificity of present-day society - originally developed by Marx - as a *representation* of this specificity; and, hence, the representation of dialectical cognition as a *conception of the world*, as a *system of thought*. In brief, it is the degradation of the integral cognition of one's own necessity to an *interpretation* of reality and, therefore, to an *ideology*. It is not surprising then, that even though Marxism is always willing to state the historical nature of capitalism and its concrete forms, the idea that scientific theory is one of these never crosses its mind. It happens that in scientific theory, ideology takes the form of its opposite, of scientific method.

³⁶ Engels, Friedrich 'Herrn Eugen Dührings Umwälzung der Wissenschaft ("Anti-Dühring")' *Marx/Engels Ausgewählte Werke*, Vol. V Berlin: Dietz Verlag, 1985.

³⁷ Bonefeld, Werner 'Social Constitution and the Form of the Capitalist State' *Open Marxism, Volume I, Dialectics and History* London: Pluto Press, 1992.

³⁸ Carchedi, Guglielmo *Class ...*, *op. cit.*.

³⁹ Murray, Patrick *Marx's ...*, *op. cit.*.

Thus, like any other scientific theory about present-day social forms, Marxism shows its own necessity insofar as a concrete form of alienated consciousness by representing itself as the abstract negation of alienated consciousness, as an abstractly free consciousness. But here it is where its dialectic materialist logic shows the *raison d'être* for its specificity, for representing the simplest real determination, the self-affirming through self-negation, as the unity of two immediate affirmations mutually opposed and, therefore, for representing the existence of the concrete forms as abstractly opposed to their own determination. Marxism does not represent itself just as an abstract free consciousness, but, by invoking dialectical logic, it represents itself as the abstract free consciousness placed by itself as the opposite pole of the consciousness alienated in capital. Marxism does not see itself as being the opposite of alienated consciousness for recognizing itself as a form of existence of capital; on the contrary, it sees itself as the absolute realized negation of capital, as a social form whose necessity is external to capital. From this point of view, capital's historically immanent necessity of annihilating itself in its own development, that determines the working class as the necessary personification of this annihilation, comes down to an action external to that development itself. And, consequently, the performer of this action comes down to an abstract opposite of capitalism that, at best, has its necessity related to this one's as its absolute realized negativity, to the working class that reacts in self-defense against capitalistic misery and oppression. With which, the revolutionary realization of socialism/communism does no longer appear as what it is, as the realization of the historical necessity of the general regulation of the present-day process of social metabolism (and therefore, as the ruling itself of this process in action), as the realization of the historically own necessity of today's general social relation. On the contrary, the working class' revolutionary action sees its necessity come down to the 'will to survive' or the 'libertarian spirit' themselves of the working class, to the 'moral superiority' of a system over the other, to the realization of 'social justice'; that is, sees its necessity come down to a collection of abstractions that cannot but ideologically reflect the alienation of human potencies as capital's potencies, but that are represented as being so naturally eternal that the society freed from all alienation could only be realized through them.

It is precisely through this seeing itself as being abstractly free, that this specific form of alienated consciousness realizes its necessity as a concrete form of the alienated consciousness that does but to affirm itself as such. On the contrary, it is about the conscious regulation of the working class' revolutionary action through which capital realizes its necessity of annihilating itself into the general conscious regulation of human life. Therefore, it is not about producing an abstractly free conscious action, but about the production of an alienated consciousness, indeed, but one that is only such insofar as it is the negation of the negation of free consciousness. Although the question immediately arises, only its statement corresponds here: which social necessity embodies in the inversion, unconditionally accepted today among apparently uncompromising critical scientists, of the ideal reproduction of capitalist society accomplished by Marx into a theoretical representation?

As Marx shows, the point is not to interpret the world. The point is that the transformation of the world in question is the development of the conscious regulation of the process of social metabolism, and, therefore, the supersession of interpretation itself. If we fill any urgency to paraphrase Marx's thesis, we can state it as 'Philosophers have only *interpreted* the world in different ways; as a necessary form of scientific cognition alienated in capital, scientific theory can only rule its transformation within the miserable limits of the appropriation of relative surplus value; the point is to *change* it beyond these limits.' Above

all, the scientific critique of scientific theory is the development of this conscious regulation, the development of the organicity of the working class' revolutionary action.

Buenos Aires, 1993

Appendix

Capital's Development into Conscious Revolutionary Action Critique of Scientific Theory (Scheme)

Juan Iñigo

I. Dialectical cognition

1. *Dialectical cognition, i.e., the regulation of action under its form of reproduction of one's own necessity in thought*: from the immediateness of action to the determination of its concrete subject (the development of necessity into its concrete form of freedom), the concrete forms of the ideal reproduction of reality (the method of dialectical cognition).

2. *Mathematical cognition, i.e., the cognition of the measure of one's own necessity*: the determination that negates itself as such (the self-affirming by means of the negation of self-negation) and the lack of a real necessity whose development is to be ideally reproduced; the concrete form of measuring the quantum of magnitude, i.e., the mathematical process of cognition: from the representation of quantitative relations as abstractly such (logic) to the representation of the measure of the real abstract forms by the relations of measure of their concrete forms.

3. *Critical history of the forms of mathematical representation, i.e., the development of mathematics as a formally historic process in itself*: the emptying of the specificity of quantitative determination in formal logic; the reintroduction of quantitative specificity as abstract extensiveness; the mutilation of the logical development of the relation between the unit and the multiplicity until they reach their identity in the number, with the following inversion of the representation of this development as mathematical analysis, abstract algebra and topological relations.

4. *Mathematics of time-space, i.e., the measure of one's own necessity specifically determined as the abstract self-reproduction of quantity*: the specific forms of time-space and their representation; critique of physics and its inverted determinations, where the forms in which phenomena manifest themselves are placed as their causal law.

II. The historical determination of dialectical cognition

5. *The development of matter into the generic human being*: the determination of matter as a general historical natural development, i.e., as universe; life: the regulation of the individual process of metabolism, the regulation of the simple process of social metabolism, from animal specificity to generic human being.

6. *The development of the generic human being into capital, i.e., the alienation of human potencies as capital's potencies*: the general regulation of the process of social metabolism by means of the ideal appropriation of reality; the autonomously regulated system of social metabolism; capital's historical potencies: towards the conscious regulation of the process of social metabolism.

7. *Consciousness as capital's potency, i.e., alienated consciousness*: the development of the commodity into mutual individual independence as a form of general social interdependence; the individual concrete form of social regulation; the incompatibility of capital with dialectical cognition as the general form of scientific cognition.

8. *Scientific theory, i.e., the science of capital insofar as it is purely determined by the appropriation of surplus-value*: the resolution of the contradiction between capital's necessity to submit all production and consumption to science and capital's necessity of alienated consciousness; the theoretical representation of reality by the relations of measure of its concrete forms; ideology in the form of the method of scientific cognition.

9. *Marxism, i.e., the conception of the reproduction in thought of the specificity of present-day society, originally developed by Marx, as a representation of this specificity and, therefore, as a conception of the world, a system of thought*: its historical necessity and its concrete forms.

III. Scientific cognition as a necessary concrete form of revolutionary action

10. *Conscious revolutionary action as the negation of the negation of free action*: the political organization of the working class and the unfolding of scientific cognition.

Juan Iñigo Carrera

Argentina: The Reproduction of Capital Accumulation through Political Crisis

And all science would be superfluous if the form of appearance of things directly coincided with their essence.¹

Se vogliamo che tutto rimanga come é, bisogna che tutto cambi.²

In her article, 'The Battle of Buenos Aires: Crisis, Insurrection and the Reinvention of Politics in Argentina', Ana Dinerstein presents a thesis which bears much relevance for the Argentine working class. According to Dinerstein, the events of 19–20 December 2001 in the Plaza de Mayo brought about a fundamental change in the way politics is practised in Argentina. Moreover, the nature of this change is impossible to miss, clearly pointing as it does towards a new form of political action directed at superseding the capitalist mode of production.

Dinerstein bases her thesis on four points related to the people's march on the Plaza de Mayo: a) its broad-based appeal; b) its spontaneity and horizontal organisation; c) its demand 'all of them must go!'

¹ Marx 1991, p. 956.

² Tomasi di Lampedusa 2000, p. 41.

[*¿qué se vayan todos!*]); and, finally, d) the projection of these trends into the neighbourhood assemblies, the barter clubs, the factories turned into co-operatives, and others.

Certainly, Dinerstein is not alone in her analysis and conclusions. On the contrary, she presents a point of view that is widely shared among those who advocate radical change in Argentine society. Beyond their particularities, a broad range of participants and observers share this view, ranging from the 'traditional' revolutionary Left to the supporters of the 'new social subjects'.³ Even at international level, the Argentine case is seen as paradigmatic, representative of the rise of a new social subject able to overthrow capitalist society.⁴ We shall analyse Dinerstein's paper within this framework and follow the path she suggests.

Let us start with Dinerstein's first premise: the magnitude of the events of 19–20 December 2001 in the Plaza de Mayo. As Dinerstein writes:

The battle of Buenos Aires lasted 10 hours. During the confrontations between demonstrators and the police, hundreds were arrested, six people were killed and many injured.⁵

Simply in terms of size, however, a different type of popular action actually accounted for 9 deaths and 2,717 arrests in the Greater Buenos Aires area alone during those days, and for a total of 29 deaths and 4,500 arrests in the country as a whole.⁶ What sort of popular action was this that such figures only receive a footnote from Dinerstein, and a rather ambiguous one at that?⁷

The answer is looting. Neither these figures nor the acts themselves are given much significance in Dinerstein's presentation. They are only referred to once, as an occurrence that took place before the 'real' political events: the *cacerolazos* – the banging of pots and pans – and the march on the Plaza de Mayo.⁸ Dinerstein is not the only one to disregard looting as a key feature of the political events of December 2001,⁹ and this glaring omission

³ Compare, for instance, Altamira 2002 and Bonnet 2002.

⁴ See Holloway 2002b, Petras and Veltmeyer 2002.

⁵ Dinerstein 2002, p. 23.

⁶ Anonymous 2002a, p. 17. The actual number of deaths during the looting spree could be significantly higher. According to direct witnesses, for example, four people were killed simply during the looting of a supermarket in José C. Paz. None of these deaths were officially registered.

⁷ Dinerstein 2002, p. 23.

⁸ Dinerstein 2002, p. 22.

⁹ See, for example, Petras and Veltmeyer 2002.

is particularly noticeable in those studies that ascribe the rise of a new political subject in Argentina to the December 2001 events.¹⁰

Are we to believe that the looting was not a political event? In fact, the government did not establish a state of siege as a result of the *cacerolazos*, as Dinerstein asserts.¹¹ The state of siege was declared several hours before the first pot was banged, in response to widespread looting. Why, then, is it that the looting is infallibly the *bête noir* in those studies that present December 2001 as a turning point in the way political action is carried out in Argentina?

The looting

In order to bring out the political significance of looting in relation to the *cacerolazos* and the march on the Plaza de Mayo, let us briefly consider the structure of the City of Buenos Aires and its suburbs, the Greater Buenos Aires region. This urban conglomerate is situated on the shores of the River Plate. Broadly speaking, it consists of the nucleus of the City of Buenos Aires, the seat of national government, surrounded by two semicircular belts. Notwithstanding the existence of neighbourhoods which are visibly different from each other within each of the three zones, the following table provides a general overview of the situation in October 2001:

Table 1
Unemployment and poverty in the Greater Buenos
Aires, October 2001¹²

	Population (millions)	% of the Economically Active Population		% of total population below the line of:	
		Unemployed	Under- employed	Poverty	Extreme poverty
City of Buenos Aires	3.0	14.3	11.8	9.8	2.1
First Greater Buenos Aires Belt	3.0	17.8	15.7	26.6	6.8
Second Greater Buenos Aires Belt	6.6	22.8	19.9	51.1	19.3

¹⁰ See Colectivo Situaciones 2002.

¹¹ Dinerstein 2002, p. 23.

¹² Source: 'Encuesta Permanente de Hogares', Instituto Nacional de Estadística y Censos (INDEC). See INDEC 2002. The figures include the newly-urbanised areas which lie next to the traditional limits of the Greater Buenos Aires. Extreme poverty means an income below that needed to purchase the most basic food basket without even taking rent into consideration.

The *cacerolazos* and the march on the Plaza de Mayo only took place in the City of Buenos Aires and the more prosperous neighbouring suburbs. Beyond these areas, however, they were strange and far-removed events observed on television. On the other hand, looting was a common event in the outlying areas and extended into the poorest neighbourhoods of the City of Buenos Aires. In this case, the television audience was made up of the more skilled workers and the plentiful petty bourgeoisie, worried by the possibility that the looting mobs might make a move on their own neighbourhoods.¹³

No careful observer could miss the lines of four-wheel drives and other deluxe cars echoing the *cacerolazos* as they paraded in protest before the elegant residence of the displaced minister of economy, Cavallo, the champion of convertibility. Thanks to convertibility, the most prosperous supporters of neoliberalism had been able to import these vehicles. But the recently imposed *corralito* (literally, small fencing or enclosure) on bank deposits had revealed to them the true colours of this 'false idol' and, they felt, it was time to tear it down.

Conversely, looting was a phenomenon which evinced very little spontaneous political action, let alone elements of a horizontal political organisation. Clearly, looting was rooted in the hopeless misery to which the Argentine working class was finding itself condemned by the inexorable path followed by capital accumulation. But it is noticeable that, after December 2001, no more looting took place despite the fact that unemployment soared and real wages plunged.

It is well known that, in the province of Buenos Aires, it was the apparatus of the Justicialista Party (official name of the Peronist Party) that had prompted the looting. This apparatus was commanded by Duhalde, who was finally appointed president in the aftermath of December 2001.¹⁴ The Peronist local leaders [*punteros*] drew people out by announcing locations where food was

¹³ To avoid any misunderstanding, note that by 'working class' I refer to the totality of the members of society that are separated from their means of production and only own their labour-power, selling it in order to materially reproduce their lives, whatever the intensity, complexity and productivity of their work. My use of 'working class' does not depend on the price of their labour-power, on whether it is productive or unproductive with regards to the valorisation of capital, or on whether workers are able to sell it, in whatever the way they relate to commodity production. By petty bourgeoisie I mean the genuine independent producers of commodities, the individual merchants and the capitalists whose capital falls short of the amount needed to actively participate in the formation of the general rate of profit.

¹⁴ In the 1999 presidential elections, Duhalde was defeated by De La Rúa, from the Alianza Party, who fled the country on 20 December.

supposed to be distributed for free. Then their cadres spearheaded the looting.¹⁵ Let us consider a specific case – that of the district of San Miguel, one of the poorer areas of the Second (urban) Belt around the Argentine capital, governed by Aldo Rico. Rico is a former army officer who led a military coup in 1987 in support of the torturers and murderers of the 30,000 *desaparecidos* of the 1976–83 military dictatorship. In 1999, he was elected mayor of San Miguel with 68% of the votes, supported by Duhalde. Now, Rico set up an operation aimed at driving the potential looters to the borders of his district, giving them *carte blanche* to act from there onwards.¹⁶

In fact, the Justicialista party had already resorted to this course of action in 1989, when a wave of looting was a key factor for the premature transfer of power to president Menem.

Therefore, the fall of the national government on 20 December 2001 was precipitated by the confluence of two forms of popular political action. Looting was clearly the dominant form within the areas of greater poverty furthest away from the city centre. It was articulated by a political structure that grew in proportion to the deteriorating conditions for the reproduction of the labouring population. This structure is based on a complex relationship within which political action, clientelism, crime, *barras bravas* [hooligans] and police impunity all come together.¹⁷ Within the more prosperous areas located closer to the city centre, the *cacerolazos* and the march on the Plaza de Mayo were the principal form of protest. These were spontaneous movements that coincided with the mobilisation of the left-wing parties under the motto ‘all of them must go!’.

This twofold process raises a further issue: the identity of the determining factor underlying the two forms of action in question, apparently opposed in terms of both political form and content, but which fused, bringing on the fall of the Alianza government. To answer this question we must start by considering the course followed by the national process of capital accumulation that culminated in those actions.

¹⁵ Amato and Guagnini 2002, pp. 16–18.

¹⁶ Anonymous article 2002b, p. 17. This case has been verified through testimonies collected by students of the Universidad Nacional de General Sarmiento, which is situated in the area.

¹⁷ Guagnini 2002; Young, Guagnini and Amato 2002, pp. 20–2.

The specific trend towards economic contraction

Dinerstein states that:

One of the keys to understanding why the convertibility plan did not produce the macroeconomic conditions for sustained growth and, instead, led to the crisis of December 2001 lies in the fact that, during the 1990s the private sector produced deficit in the generation of foreign currency for the country . . . with their commercial and financial transactions with the world. The negative balance was covered by the public sector which indebted itself to cover the difference and thus accumulate reserves to expand domestic credit.¹⁸

All this accentuated the vulnerability of the plan 'to the capricious movement of global capital and financial markets'.¹⁹ Then, the escalating 'tension between persistent social and labour struggles and the pressure from financial institutions'²⁰ produced political instability, which, in turn, produced 'further economic instability'.²¹ And so on until the crisis exploded in December 2001.

But what economic growth are we talking about? The physical volume of social production evinced substantial growth during the 1990s, even more so than that of the USA. During 1990–2001, the average physical volume of the Gross Domestic Product (GDP) grew 26% more than levels reached during the previous stagnation of 1975–89 and 74% more than levels reached during the previous sustained growth period of 1960–74.²²

This growth is the mainstay of the arguments presented by the supporters of neoliberal policies who claim that the crisis resulted from an incomplete application of these policies, creating a climate of political instability. In turn, this climate purportedly generated fear in investors, causing the withdrawal and flight of international capital.²³ As we can see, however, despite standing in opposite corners over 'the struggle between money and life',²⁴ both Dinerstein

¹⁸ Dinerstein 2002, p. 17.

¹⁹ Ibid.

²⁰ Dinerstein 2002, p. 19.

²¹ Dinerstein 2002, p. 20.

²² Iñigo Carrera 2002, pp. 3–4; see the methodological criteria on p. 4, and a data table on p. 32, based on original information from the Banco Central de la República Argentina (BCRA) and Ministerio de Economía (ME).

²³ See FIEL 2001.

²⁴ Dinerstein 2002, p. 22.

and the defenders of neoliberalism agree that the origins of the December 2001 crisis lie in the very political forms themselves. Posited on the side of 'life', this conception might appear to be a revolutionary-critical perspective concerning the abolition of the capitalist mode of production. However, it actually implies an idealistic inversion of the determination of working-class consciousness, which becomes reduced to the appearances of its advances and retreats in political struggle.

The consciousness of the Argentine working class is no more than the expression of its social being. This social being is concretely determined by the specific way in which the material production of its life is organised. Clearly, the issue concerns what is to be done regarding the current political situation in Argentina so that this action can express the general interests of the working class.²⁵ To do so, we must start by bringing to light the concrete historical powers of the Argentine working class. Therefore, we need to begin by taking a look at the specific nature of the Argentine process of capital accumulation.

In other words, we must avoid embracing the illusion that an apparent rise in the political awareness of the Argentine people will *per se* engender a radical change in the national process of capital accumulation. The point is to examine what has changed in the process of capital accumulation in Argentina that has prompted it to take specific political form in the shape of direct popular action. Thus, it will be possible to unveil the historic potential that lies within such action.

Let us take another look at the growth of the Argentine social product during convertibility from the specific point of view of capital accumulation. As we well know, in those societies where the capitalist mode of production dominates, social wealth does not simply appear as the material accumulation of use-values but, rather, as the accumulation of value. In other words, it is clearly not enough to merely possess more goods in order to be wealthier; what really matters is the total value of those goods. This is a delicate issue for the Argentine economy, where, particularly over the last decade, complex industrial production has been overtaken by imports while only the production of raw materials and very low value-added activities have expanded.

In real terms of purchasing power, average GDP grew only 24% from the 1960–74 period in comparison to the 1990–2001 period. Even worse, during

²⁵ Marx and Engels 1976, p. 497.

the latter interval it fell to 10% below the level reached 1975–89.²⁶ During a time of apparently sustained growth in physical volume, the Argentine economy actually lost a tenth of its value. In 2001, it was 9% below the value it had reached in 1974. Hence, the expanded physical volume of material products pointed to a contracted mass of social wealth. The annual value product of the Argentine economy has remained stagnant – if not actually shrunk – during the last twenty-five years.

In short: in 1960–74, the value of Argentine GDP was equal to a monthly equivalent of 18 million of the staple goods baskets that are used to compute the consumer price index. In 1975–89, it grew to 24 million baskets, yet fell to 22 million in 1990–2001.²⁷ Meanwhile, the average population grew from 23 million to 29 million, and to 34 million, respectively.²⁸ In 1960, the Argentine economy was equivalent to 3.2% of the USA economy; in 2001 this proportion had fallen to 1.5%.²⁹ It was from these already contracted levels that the 7% fall in value which took place in the crisis of 2002 (corresponding to an 11% fall in volume) occurred.

However, the issue does not end here. We also know that capitalist production does not merely aim at the production of value. It aims at the production of surplus-value. Total net surplus-value³⁰ increased by 90% between 1960–74 and 1975–89, although total value grew only 40%. Still, the 10% fall in the value product between 1975–89 and 1990–2001 allowed for only an increase of 8% in net surplus-value.³¹ Moreover, total surplus-value did not end up falling in absolute terms, because it was sustained at the expense of undermining the normal reproduction of capital accumulation at its very base, namely, by increasingly paying labour-power below its value. Many years before the current crisis, the national process of capital accumulation began to show a specific trend towards the formation of a surplus-labouring

²⁶ Iñigo Carrera 2002, pp. 6–7; see also the methodological criteria on pp. 5–9, and the data table on p. 32, based on original information from the BCRA, ME and the Instituto Nacional de Estadística y Censos (INDEC).

²⁷ Iñigo Carrera 2002, p. 10; see also the methodological criteria on p. 7, and the data table on p. 32, based on original data from the BCRA, ME and INDEC.

²⁸ Ibid.; see the data table on p. 32, based on original information from INDEC.

²⁹ Ibid.; see the methodological criteria on pp. 5–10, and the data table data on p. 32, based on original information from BCRA, ME, INDEC, the US Bureau of Economic Analysis (BEA) and the US Bureau of Labor Statistics (BLS).

³⁰ Total surplus-value, net of circulating expenses plus the value of fixed capital consumed.

³¹ Iñigo Carrera 2002, pp. 11–12: see the methodological criteria on p. 11 and the data table on p. 32, based on original information from BCRA, ME and INDEC.

population. This trend immediately results from the stagnation and contraction of the amount of value produced by the Argentine economy. During 1990–2001, the real industrial wage fell 35% with respect to 1960–74 and 23% with respect to 1975–89.³² At the same time, legislation slashed indirect wages by at least a third, which, in practice, was much more owing to the expanding informal economy and deteriorating pension and health systems. Thus, the Argentine working class has been increasingly prevented from reproducing its labour-power with the productive attributes it had developed before the stagnation and contraction began. The Argentine economy does not only come up against a specific limit to its growth but, as it is absolutely unable to reproduce the labour-power it once required, it collides with the general base of capital accumulation itself.

The specific form of capital accumulation in Argentina³³

At first sight, it appears that the Argentine economy has developed along the general lines inherent to the national processes of accumulation of industrial capital. There is a clear trend towards the centralisation of capital and a strong presence of the world's most concentrated capitals. Yet a peculiarity immediately emerges. These capitals work on a scale restricted to the size of the internal market. How do they fit into a market of only 36 million inhabitants, almost half of whom live below the poverty line today and whose average wage is just one tenth of the American wage? For instance, six of the world's main car manufacturers still have production plants in Argentina. Each export to the Mercosur zone is met by an import, thus balancing out any expansion of the scale of production, beyond that of the internal market. Conversely, in Italy, with a population that is two thirds larger and an average wage close to the American one, there is only one car manufacturer which is, furthermore, unable to sustain independent capital ownership.

The answer lies in the scale of the Argentine plants, which is small compared to that of other plants managed by the very same capitals which supply bigger internal markets or the world market. Yet, this small scale, and its negative consequences upon technical innovation, mean lower labour productivity, and thus higher production costs leading to the impossibility

³² Iñigo Carrera 2002, p. 20; see the methodological criteria on pp. 19–20, and the data table on p. 32, based on original information from INDEC.

³³ This section is based on Iñigo Carrera 1998.

of valorising capital at the general rate of profit. Therefore, in addition to the surplus-value simply extracted by industrial capital from its productive workers, the capitals in question need to find, within the Argentine economy, an additional source of social wealth to compensate them for their limited production scale.

Today, the sale of labour-power below its value accounts for a significant part of the compensation. Still, this relative cheapness cannot be – nor could it ever have been historically – its main source. Had this been the case, industrial capitals would have generated production from Argentina for the world market as the norm, instead of restricting their scales of production to the domestic market.

A second source of compensation arises from the pervasive presence of small national capitals. Their accumulation is not directly ruled by the general rate of profit, but by the rate of interest. When the price of production of their commodities pushes their profitability over this limit, the competition among them means that the profit at stake ends up being transferred to the more concentrated capitals to which they relate in circulation.³⁴

However, historically, the main source of compensation has always been the differential ground rent from the Argentine *pampas* – more recently, the differential rent coming from oil, gas and hydroelectric energy has also acquired relevance. Landowners, on the one hand, and the international industrial capitals that operate as restricted fragments in Argentina, plus the more concentrated national industrial capitals, on the other hand, are, albeit antagonistically, associated to appropriate the differential ground rent. This shared appropriation underlies the whole specificity of the Argentine national process of capital accumulation. This is where the current stagnation and ensuing crisis have their specific roots.

Industrial capitals have appropriated their share in differential ground rent through different means. In some cases, this originates in the flow of rent to the state through special taxes on agricultural exports, regulated prices or the monopoly on foreign trade. The rent is then transferred to industrial capitalists as subsidies, the purchase of commodities by the state and by its workers, and so on. In other cases, the state controls the flow in an indirect way. For instance, this can occur through a fiscal deficit covered by the inflationary

³⁴ For this determination of differential concrete rates of profit, in opposition to the theories that ascribe these differences to market forms, see Iñigo Carrera 2003, pp. 123–30.

printing of currency, which leads to a negative rate of interest in real terms, and in which the landowners are creditors and industrial capitals are debtors. Another significant way is the overvaluation of national currency. When agricultural exports pass through the exchange mediation, overvaluation retains a share of their value that corresponds to ground rent. The industrial capitals are then able to appropriate this because the overvalued national currency allows them to import means of production at a lower cost than the price of production on the world market. Overvaluation, moreover, multiplies the value of profits made locally in international terms when they are remitted abroad. In fact, overvaluation has been the prevailing method for appropriation throughout the last decade, which fell into a violent crisis in 2001.³⁵

The paths taken by the appropriation of ground rent do not impinge on the normal profitability of agricultural capitals. But they certainly limit the scale of their intensive and extensive disbursement on land. In turn, this limitation affects the pace of technical innovation in agriculture and extends the specific national limitations as far as the only sector truly able to compete on the world market. As such, only those industrial capitals which produce on a scale already superseded by the development of the productivity of labour on a global scale, are able to valorise themselves in Argentina. Some of them fit into this category because they are just small capitals. Others do so because they are specifically restricted fragments of capitals that actually operate on a normal scale elsewhere. The former are unable to develop the productive forces of society owing to their limited size. The latter obtain a normal rate of profit, and may even make extraordinary profits, without fulfilling their historical role in that selfsame process of development. Moreover, they are actually freed from the costs of developing the productive forces as they are able to convert what has already become scrap in the countries where capital operates on a normal scale into brand new capital in Argentina. Hence, although the Argentine national process of accumulation appears to be an ordinary national process of development of the productive forces of society, it is in fact working against this development.

This contradiction, which is so characteristic of the Argentine economy, acquires a particular shape in the process of capital centralisation. The centralisation of capital tends to liquidate small capitals, therefore undermining

³⁵ Iñigo Carrera 2002, pp. 12–14; see the methodological criteria on pp. 5–9, and the data table on p. 32, based on original information from BCRA, INDEC and BLS.

one of the sources of additional surplus-value appropriated by concentrated capitals. At the same time, despite the internal concentration and centralisation of capital, the gap between the limited productivity of labour that corresponds to the size of the internal market vis-à-vis the size of the world market, continues to grow. In turn, the privatisation of state enterprises restricts the role of the state as a source of demand to sustain the internal market, adding new capitals that demand their share of ground rent, of the value of labour-power and of the surplus-value freed up by the small capitals.

But there was another element which pushed the contradiction inherent in the Argentine process of capital accumulation to a critical point. During the first half of the 1970s, agricultural ground rent rose abruptly. Thus, in each year between 1972 and 1976, industrial capitals appropriated eight times the real average annual amount they had appropriated in the 1960–71 period.³⁶ Yet, after reaching this peak, world ground rent began to drop in a downward trend that has continued up until the present.

With differential ground rent decreasing and the amount needed to support accumulation in fragmented industrial capitals rising, the Argentine process of capital accumulation increasingly witnessed the deterioration of its specific basis. The value product fell into stagnation and decline, whereupon the profit freed up by small capitals shrank even more and the gap between the scales of the domestic and the world market widened. Moreover, the consequent multiplication of the surplus-labouring population enabled capital to pay labour-power below its value, which counterbalanced the former effects, thereby providing a new basis for the reproduction of the specific nature of the national process of capital accumulation.

As the national economy stagnated and shrank, the overvaluation of the currency not only served as a mediator in the appropriation of ground rent but also narrowed the gap in productivity inherent to the relatively restricted scale of production for the internal market. It did so directly by enabling the cheap import of means of production and indirectly by allowing the import of cheapened means of subsistence for the workers, thus cheapening their labour-power. Additionally, lower import duties reinforced the effect of the overvaluation of currency. However, at the same time as cheapened imports displaced local production, the reproduction of the national process of capital accumulation on the basis of an overvalued currency and free-trade policies came ever closer to death by suffocation.

³⁶ Iñigo Carrera 2000, pp. 62–3.

Ten years of a highly overvalued currency required a significant accumulation of reserves in foreign currency. However, a national economy whose size in terms of value was shrinking, whose reproduction demanded the growth of imports over exports, and which was suffering from the contraction of ground rent, had no means of generating such reserves on its own. Where did these reserves come from? The answer lies in the real expansion of foreign public debt.

There exists the widespread belief that the payment of the foreign public debt resulted in the continuous outflow of social wealth which was ultimately responsible for the collapse of the Argentine economy. Despite its apparently critical slant, this belief clashes with a simple fact: from the 1960s onwards, Argentina received a continuous influx of social wealth as a result of increasing its debt in real terms over the capital and interest payments that were due.³⁷ These additional funds, together with those raised through the privatisation of enterprises owned by the state, provided the reserves that sustained the overvalued national currency. However, the very same overvalued peso acted as a stimulus for the expatriation of foreign currency by the private sector. So, as soon as the national state topped up its reserves by increasing its foreign debt, the private sector drained them by sending foreign currency abroad. This locked the state into a constant vicious circle of increased public indebtedness created in order to maintain the overvalued peso.

This cycle was rooted in the overabundance of fictitious capital circulating in the world market. During the last quarter of the twentieth century, global capital accumulation entered one of its phases towards general overproduction.³⁸ Overproduced capital started to circulate as fictitious capital, namely, as a mass of credits conceded to insolvent debtors that merely keep up the appearance of valorisation by constantly accruing due interests to an unpaid and overdue principal. As the advance of the global economy towards general overproduction maintained the appearance of being a mere process of accumulation based on the expansion of credit, the Argentine state was able to expand the influx of foreign currency to replenish its reserves. But, in 2001, general overproduction manifested itself to such a degree that it abruptly put the brakes on the global expansion of fictitious capital. At the same time, the expanded access to global fictitious capital was subject to the capacity of the

³⁷ For a computation of these movements see Iñigo Carrera 2002, pp. 24–9, and the data table on 36–7, based on original information from BCRA, ME, INDEC and BLS.

³⁸ Iñigo Carrera 2003, pp. 67–75.

Argentine economy to maintain the appearance that it was able to honour its debt. The same overvaluation of the national currency, the expansion of imports, the privatisation of state enterprises, and so on, helped to support this fiction. But, here too, reality was eventually due to burst in. Those state assets suitable for immediate privatisation had been exhausted and the national process of capital accumulation openly clashed with its specific limit, therein contracting the value of GDP and brutally increasing unemployment. The same contradiction between economic contraction and the unstoppable expansion of foreign debt made interest rates soar.

Together, the global crisis and the Argentine crisis – the latter became intensified as a specific expression of the former – brought the cycle of replenishment of foreign currency reserves through ever increasing levels of foreign indebtedness to a violent end. The across-the-board renewal of due debts (the plans of ‘Blindaje’ and ‘Megacanje’) threw the painful nature of this process into sharp relief. Then, as it became evident that no new real expansions of the state’s foreign debt were at hand, the private depletion of the reserves accelerated, showing that ‘convertibility’ and its overvalued currency were about to collapse. Although bank deposits were nominated in US dollars and supposedly guaranteed by the strongest international banking capitals, these turned out to be equally unsustainable fictions: as soon as the withdrawal of deposits (to turn them into true US dollars) accelerated, the same neoliberal banking capitals clamoured for state intervention. And the state obeyed by introducing the *corralito*, enclosing bank deposits.

The unstoppable crisis reached into every nook and cranny of the Argentine economy. Credit disappeared, tax collection fell to rock-bottom levels, bankruptcies and factory closedowns multiplied, and unemployment peaked. A substantial devaluation of the peso was imminent. A devaluation of this kind meant a further fall in real wages, rises in costs and unbearable losses in an economy where most domestic liabilities and contracts were denominated in foreign currencies.

The national process of capital accumulation was heading for a situation involving a substantial fall in real wages, a violent contraction of its scale and an open default on its foreign debt. At this point, the issue was the political form that the crisis was to take.

The political representation of capital accumulation in Argentina

At the turn of the twentieth century, the agricultural landowner class dominated the general political representation of the national process of capital accumulation. Nevertheless, as industrial capitals became stronger partners in the appropriation of ground rent, landowners were relegated to a secondary position.

Argentina's development as a space for the accumulation of capitals that, despite their normal global scale, operate as limited fragments to be valorised in the specific way detailed above, was dependent on an existing specific condition. It required the wide-scale presence of genuine small capitals. This was a condition that both provided the domestic market with sufficient breadth and endowed fragmented capitals with one of the sources of additional surplus-value which they required to compensate for their own limited scale. Hence, in its historical development, Argentine capital accumulation went through a phase characterised by the general transformation of ground rent into a mass of small domestic capitals. This multiplication of small capitals not only absorbed the already active labouring population but also multiplied it on a wide scale so that it appeared to be the very cradle of the Argentine working class. On this basis, the Argentine petty bourgeoisie and the working class converged in the general political movement that consolidated the genesis of the specific form of the national process of capital accumulation in the 1940s; namely, Peronist populism.

From this point on, the immediate reproduction of the Argentine working class as an active labouring population and of the national petty bourgeoisie remained tied to the reproduction of this specific form. This reproduction gave way to the widespread arrivals of the particularly restricted fragments of normal capitals, starting in the 1950s. Given their foreign origin, these capitals could not be politically represented in Argentina by their own bourgeoisie. Nevertheless, since their accumulation had become a condition for the reproduction of the national economy, they were able to delegate their political representation within the same populist movement and also through the diplomatic staff of their countries of origin. So-called developmentalism [*Desarrollismo*] was the most genuine expression of this political representation. Furthermore, throughout Argentine history, the appropriation of ground rent has been mediated by the actions of the national state as the general political representative of the total social capital that is valorised in the country. Hence the specific participation of the state bureaucracy, particularly the armed

forces, in political struggles. When the national accumulation of capital entered a phase of growth based on a circumstantial increase of ground rent, its general political representation corresponded to a populist-democratic government. When the economy contracted, however, this place was taken by a military dictatorship actively supported by foreign capitals.

As a product of the specific form of the national process of capital accumulation, the Argentine left-wing parties could not escape being determined as particular political representatives of the reproduction of the selfsame specificity.

Yet they were unfit to act as the general representatives of the working class within this process, as this role corresponded to the populists. The role of left-wing parties was restricted to spearheading the struggle for higher wages and the reinstatement of democratic government when the economy entered expansive phases. On the surface, it seemed that these struggles brought into question the overthrow of capitalist society itself. Yet, as economic expansion began to consolidate itself, the left-wing parties found themselves ousted by mere populism. And, as soon as the subsequent process of contraction got under way, their struggles against falling wages and rising unemployment – vis-à-vis the retreat of the populists – turned them into scapegoats, suffering the wrath of a new military dictatorship. Even those parties that called for a revolutionary expropriation of the bourgeoisie were unable to overcome the appearances of the Argentine specificity. Therefore, they completely overlooked the specific nature of the very material base on which that expropriation would have had to operate. In Argentina, the bourgeoisie had set up nothing but a mass of obsolete means of production materially unfit to support the development of the productive forces of society.

In fact, over twenty-five years ago, the fluctuation between expansive and contracting phases gave way to a blatant tendency towards stagnation and decline in the political form of the bloodiest military dictatorship. The dictatorship imposed itself when the circumstantial expansion of the national process of capital accumulation – largely due to the exceptional increase of ground rent during the years 1973–4 – came to an end. And it did so by bringing about the armed defeat of the political forces that had welcomed the same circumstantial expansion of Argentine capital accumulation as evidence that this process would lead directly towards socialist supremacy. From then on, the reproduction of the Argentine economic specific form resulted in the accelerated liquidation of the petty bourgeoisie and an increasing transformation of the working class into a surplus population for capital.

Nevertheless, even going downhill, the immediate reproduction of both social classes remained tied to the reproduction of the specific nature of the national process of capital accumulation.

The coalition between the petty bourgeoisie and the working class continued to bear the general political representation of Argentine capital accumulation. However, intermittent periods of expansion increasingly proved unable to counteract the overall trend of contraction. Expansionary phases became weaker and weaker, whilst the surplus-labouring population continued to grow even through these phases. There was no place left for the generalised illusion concerning the political powers gained by the working class and the petty bourgeoisie during the expansionary phases that needed to be annihilated when renewed contraction became apparent. Thus, even as the crisis deepened, democracy acquired continuity. This process of accumulation, which only could reproduce the petty bourgeoisie and the working class at the expense of their accelerated liquidation to the benefit of the most concentrated capitals, acquired its proper political shape through populist rhetoric with neoliberal content.

In 1976, only a bloody military dictatorship that systematically abducted shop stewards from their workplace and made them 'disappear', was able to reduce real wages by 35%. Then, throughout the 1990s, real wages dropped even more sharply, to an average of 40% below the levels reached between the years 1973–5.³⁹ But, in this case, it was not a military dictatorship but the Peronist government of the Justicialista Party that was in office. The same low levels were sustained under another democratic government with a populist programme and a neoliberal policy, namely, the Alianza Party headed by De La Rúa, which was the opposition to the Justicialistas. These facts are clear indicators of the significant weakness suffered by the political and union strength of the Argentine working class during the last quarter of the twentieth century.

Nevertheless, by the end of 2001, the inevitable devaluation was set to cause a drop in real wages of such proportions that the situation, coupled with a drastic rise in unemployment, could only be handled by a government able to ensure the absolute paralysis of the unions. Only the Justicialista Party enjoyed such a capacity, supported by both the official federation of unions (CGT) and the strongest dissident federation (MTA). At the same time, the Alianza government found itself unable to declare default on the external

³⁹ Iñigo Carrera 2002, p. 20.

debt, since it had claimed repeatedly that payments to foreign creditors were guaranteed and that 'convertibility' was to be maintained whatever the consequences. In fact, devaluation and the default would need to acquire the political form of a statement of national autonomy if they were to push through. Once more, Peronist populism was their appropriate political expression. However, the Alianza government was just in the middle of its term in office. Therefore, if the Justicialista Party was to take power, President De La Rúa would have to fall. All the conditions pointed towards a 'democratic' overthrow, in other words, towards the fall of the Alianza government at the hands of its own social base: the petty bourgeoisie and the working class that performs complex labour.

In 1989, the widespread looting set the scene for the premature transfer of power from Alfonsín, of the Radical Party which had become the basis of the Alianza, to Menem, of the Justicialista Party. In 2001, the looting acted as the spark that revealed the government's impotence in handling the situation. On 19 December, rumours about looters moving in on shops and homes in the more prosperous neighbourhoods were spread intentionally among the population. Everybody remained alert. Even in the financial district, shops closed early and boarded up. In the outer areas, neighbours prepared themselves for a night of surveillance and formed bands of vigilantes. The president declared a state of siege and offered up the head of his minister, Cavallo. But he insisted on remaining in power. In this tinderbox-like situation, the spark ignited the explosion: the *cacerolazos* of the petty bourgeoisie and the skilled workers, followed by the march on the Plaza de Mayo. Powerless, the government brutally turned on its own social base while President De La Rúa fled to the sound of the cries of 'all of them must go!'.

Nevertheless, not all of them left. Immediately after the government had fallen, and with the Alianza's agreement, the Peronist majority at Congress appointed Rodríguez Saá as the new president. Rodríguez Saá appeared as the reincarnation of populist nationalism. He declared the default on the foreign debt, something acclaimed as a nationalist victory by those very same representatives that supported each of Menem's neoliberal policies. Yet, at the same time, Rodríguez Saá's populist rhetoric appeared to run too close to that of the unions. Furthermore, once the default had been declared, the time came to reproduce the national process of capital accumulation through new agreements with the IMF and a dramatic drop in real wages. Just one week later, the Justicialista Party withdrew support for Rodríguez Saá, while

his alliance with the union bureaucrats and the appointment of a former mayor of Buenos Aires City who was emblematic of political corruption were enough to warrant another *cacerolazo*. Again, the petty bourgeoisie and the skilled working class banged their pots and pans. Rodríguez Saá was forced to abandon office. The Congress appointed Duhalde as president – the same man in command of the Peronist apparatus in the Greater Buenos Aires region – a group, let us not forget, which had been quite active in the looting.

With the default already declared and the devaluation of the peso as an unavoidable condition for the banking system to start operating again after more than fifteen days, Duhalde was ready to devalue and to relaunch negotiations with the IMF. Thus, the declaration of default, the drop in real wages and the further contraction of the economy, had developed their political form. By May 2002, real industrial wages had fallen by 24%.⁴⁰ The national rates of unemployment and underemployment soared to 21.5% and 18.6%, respectively.⁴¹ However, the CGT and the MTA supported the government and remained inactive. The CTA carried out protests but with no practical results. For the second quarter of 2002, the GDP had fallen by 13.5% compared to the year before.⁴² The situation in the City of Buenos Aires had become significantly worse:

Table 2
Unemployment and poverty in the Greater Buenos Aires,
May 2002⁴³

	Population (millions)	% of the economically active population		% of total population below the line of:	
		Unemployed	Under employed	Poverty	Extreme poverty
City of Buenos Aires	3.0	16.3	15.6	19.8	6.3
First Belt of the Great Buenos Aires	3.0	21.9	18.3	41.5	16.8
Second Belt of the Great Buenos Aires	6.7	25.6	21.9	66.6	33.2

⁴⁰ See INDEC 2002.

⁴¹ Based on Ministerio de Economía.

⁴² Dirección Nacional de Cuentas Nacionales, Ministerio de Economía.

⁴³ Source: 'Encuesta Permanente de Hogares', Instituto Nacional de Estadística y Censos (INDEC). See INDEC 2002.

Nevertheless, no more looting occurred. The national process of capital accumulation had reproduced itself once again upon its specific base.

What crisis of political representation?

The specific modality of capital accumulation in Argentina could only be reproduced through a profound crisis, a kind of crisis which would take concrete shape as a legitimacy crisis of formal political representation.

In the capitalist mode of production, the general social relation – social power – exists as a thing carried in one's pocket (that is, money).⁴⁴ On this basis, political corruption is inherent to capitalist accumulation. But, when accumulation is specifically based on the appropriation of ground rent through the political mediation of the state for the benefit of capitals operating on restricted scales, political corruption is placed at its very core. Moreover, the exhibition of illegally obtained wealth becomes a demonstration of social power. The more the national process of capital accumulation clashes against its specific limit, the more crucial the role played by the shameless exercise of corrupt political representation becomes.

The legitimacy crisis of political representation did not emerge from the public discovery of the specific limits inherent to the national process of capital accumulation. On the contrary, it emerged from the apparent non-existence of such specific limits, whereby the economic crisis resulted from the inability of political representatives to reproduce the former situation of the petty bourgeoisie and the working class. In turn, their ineffectiveness was attributed to their systematic plundering of social wealth to the benefit of more concentrated capitals as well as themselves.

In brief, the crisis of political representation did not entail any greater levels of awareness than the demand for the reproduction of the specificity of the Argentine economy but without the inescapable consequences of such reproduction. The impotence expressed by this demand was the real essence contained in 'out with them all' as the key proposal for political action to face the crisis.

The abyss that lies between the appearance and the content of 'all of them must go!' questions Dinerstein's claim that:

⁴⁴ Marx 1993, p. 157.

¡Que se vayan todos! is qualitatively significant as it constitutes the initial 'adequate idea' that, as Deleuze suggests with reference to Spinoza, puts people 'in possession of their power of understanding, and so by our power of action'⁴⁵

On the contrary, based on the inability to discern beyond immediate appearances, *¡Qué se vayan todos!* actually reveals one's inability to seize power with one's own hands.

Realities of 'all of them must go!'

Dinerstein asserts that 'after December 2001 something (everything) has definitely changed' in Argentina.⁴⁶ Let us consider what she presents as the core manifestation of the new 'non-identity, horizontal, democratic and anti-institution politics and the reinvention of the political which began in December 2001'⁴⁷ able to overcome the capitalist mode of production: the neighbourhood assemblies.

By October 2002, 119 neighbourhood assemblies existed in the City of Buenos Aires and 62 in the Greater Buenos Aires region.⁴⁸ Therefore, each one corresponded to an average population of 25,000 and 156,000 respectively. At that time, the neighbourhood assemblies played a significant role in the rapid succession of governments that gave political shape to the reproduction of the national specificity of capital accumulation, each of them drawing several hundreds of people at best.⁴⁹ Nowadays, the few surviving assemblies congregate one or two dozen people, perhaps as many as thirty participants (many of whom are activists from the traditional left-wing parties). Nevertheless, when the time comes, the assemblies do not hesitate to speak in the name of the immense majority of their absent neighbours. The so-called 'inorganic horizontal organisation' has no other content than the absolute centralisation of the decision-making process by those who control the assemblies. Thus, while some assemblies voted to exclude anyone who was affiliated to a political party, others are directly controlled by this or that party.

⁴⁵ Dinerstein 2002, p. 32.

⁴⁶ Dinerstein 2002, p. 23.

⁴⁷ Dinerstein 2002, p. 26.

⁴⁸ Galvani, Levy and Gringauz 2002, p. 10.

⁴⁹ Only the meetings of the inter-neighbourhoods assemblies surpassed the thousand participants during their first few months of existence.

Some assemblies voted for resolutions against the IMF, the nationalisation of the privatised companies, but, in practical terms, their achievements come down to some minor urban improvements and cultural activities. They also provide some food and clothes to the impoverished. Clearly, these activities satisfy real needs, given the current situation, but they have nothing to do with the overthrow of the capitalist mode of production, however charitable they might be. Moreover, as soon as the same activities became systematic, they started to show all the marks of political clientelism and charitable relationships.

The roadblocks of the organised unemployed [*piqueteros*] were decisive for the implementation of extended unemployment subsidies, which reached almost two million people and have been effective since 2002. The killing of two of their activists by the police under Duhalde's administration forced him to bring the 2003 elections forward. Today, the *piqueteros* retain their capacity for mobilisation. Nevertheless, their power to transform the current social conditions has not gone beyond that immediately emerging from the reproduction of unemployment itself: the struggle for subsidies (which fall short of the limit of extreme poverty), community kitchens and orchards, complementary schooling, some very small-scale production, health care, and so on. Certainly, these actions are the concrete forms through which a part of the Argentine surplus population is still able to survive. At the same time, they place a barrier to further falls in the wages of the employed workers, which, in turn, means that they place a barrier on the possibility of capital accumulation further freeing itself from the need of technological development. However, there is an abyss between these potentialities and that needed to support the claim about a 'new identity' able to overcome the capitalist mode of production. Moreover, as Dinerstein herself points out, most of the unemployed organisations are related to traditional left-wing parties; for example, the Corriente Clasista y Combativa (Maoists), the Polo Obrero and the Movimiento Teresa Vive (Trotskyists), the Movimiento Territorial de Liberación (Communist Party) and the Barrios de Pie (left-wing populist nationalism). The Federación de Tierra y Vivienda, that claims to be the largest organisation, openly supports Kirchner's administration and its chief leader has been elected to Congress. The Movimiento de Trabajadores Desocupados Aníbal Verón, commonly taken as an example of the powers that emerge from political independence and horizontal organisation, has been plagued by internal power struggles and went through successive splits. Besides, the

piqueteros organisations are based on the management of the assistance plans for the unemployed, holding a total share of about seven per cent.⁵⁰ The rest of the plans are managed through structures of political clientelism. Under such conditions, clientelism permeates the *piqueteros* movement, a fact pointed out by the organisations themselves as they exchange accusations.

The barter clubs disappeared in the midst of the scandalous theft perpetrated against their members through the issue of token 'money'. In turn, as with any private capital, those factories turned into co-operatives by their workers can only survive if they are competitively successful. Within a national economy the scale of which is subject to contraction, successful competition means expelling other capital enterprises from production. Therefore, co-operative success means that other workers may lose the chance to sell their labour-power. Under capitalism, solidarity is merely the necessary concrete form taken by the basic social relation existing between the owners of commodities: competition. The illusions about market socialism could be nothing more than that: illusions to be swept away by the realities of the commodity-form.

Let us take another example: the Autodeterminación y Libertad party, which lays claim to horizontal organisation and anti-institutionalism, praises Negri and Holloway, and has '*¡qué se vayan todos!*' as its main slogan. Zamora, its leader, was one of the candidates with the highest voter-intention support (no more than 10–15%, however) for the 2003 presidential elections. The moment came to decide if he was to stand as a candidate. Since no formal organisational structure existed, everybody was free to present his or her point of view; but the final decision remained the undisputed privilege of the leader. Zamora chose to abstain. Those in Autodeterminación y Libertad who were for taking part in the election were left with no opportunity to do so: such a horizontal movement had one, and only one, popular figurehead: Zamora. Only alienated consciousness fits with the capitalist mode of production, and the more it attempts to present itself as abstractly free, the more alienated it becomes.

Let us now take a look at the other face of the powers inherent in *¡qué se vayan todos!* Santiago del Estero is one of Argentina's poorest provinces. In 1995, a local popular protest, the *Santiagazo*, made it into the history books for two reasons. On the one hand, it was the first widespread revolt against the consequences of Menem's neoliberal policies and political corruption.

⁵⁰ Calvo and Guagnini 2004, p. 28.

On the other, the protesters set fire to the house of the former governor Juárez. Juárez was the almighty leader of local Peronism and a symbol of authoritarianism and corruption. In September 2002, Juárez imposed his political heir as governor and his wife as vice-governor with 68% of the votes,⁵¹ presenting this victory as proof that in fact the popular will was 'all of them must stay!'.⁵²

Both in 1989 and 1995, Menem was elected president by 50% of the votes. The first time, he won with a populist discourse and only afterwards did he practise neoliberal policies. The second time, he won with his well-known neoliberal precedents and discourse. In the 2003 presidential elections, Menem won the first round. During his campaign, he had reasserted his neoliberal discourse and advocated army intervention to quell social unrest. Subsequently, he withdrew from the second round as it was evident that he was going to be defeated by Nestor Kirchner, a more 'traditional' populist Peronist supported by Duhalde. Kirchner has been the Peronist governor of Santa Cruz Province since 1991. What form of capital accumulation does he represent? After the acute contraction of the national process of capital accumulation in 2002, the new phase of expansion without the possibility of receiving fresh funds from foreign creditors is taking a renewed populist shape: the assertion of national sovereignty, a discount on the defaulted foreign debt, import substitution, widespread support for the indigent unemployed, and the like. Of course, the real basis for this lies, firstly, in the further fall of wages below the value of labour-power and, secondly, in a fortunate rise of agricultural and oil ground rent.

The Argentine economy has surged forwards on this renewed basis, growing almost 9% in physical terms both in 2003 and 2004. In so doing, GDP has returned to the level it was in 1999, which was by no means a glorious year but the starting point of the previous contraction and crisis. Yet, Kirchner enjoys high rates of popularity after a year and a half in office.⁵³ Now, Kirchner has asked the Peronist unions to take to the streets in order to stop the more combative *piqueteros*.

⁵¹ *Clarín* 2002a, p. 10.

⁵² Braslavski 2002, p. 18.

⁵³ By January 2005 he had a 78% of positive image, according to the Centro de Estudios de Opinión Pública (CEOP), while his administration had a 64% of positive image, according to the same source, and a 51% according to Universidad Torcuato Di Tella/Catterberg y Asociados. See *Clarín* 2005, p. 12, and *La Nación* 2005, p. 6.

The 'progressive' alternative who had a chance for electoral success in 2003 was Elisa Carrió, from the ARI. She is a Catholic fundamentalist who broke off her alliance with the Socialist Party as soon as they proposed the – extremely limited – framework for the legalisation of abortion. Notwithstanding, she finished fourth in the first round, behind her ultra-neoliberal former party colleague López Murphy.

Dinerstein presents spoiled ballots as yet another manifestation of a supposedly popular advance beyond representative democracy.⁵⁴ Spoiled ballots fell from their 20% peak in the 2001 elections, to 1.6% in 2003 elections. Meanwhile, electoral absenteeism only rose 2.5% between the 1999 and 2003 presidential elections.⁵⁵ It has become commonplace to pinpoint electoral absenteeism and spoiled ballots as a means of protest against the lack of legitimate political representation [*voto bronca*]. But it includes a high component of political impotence rather than active protest and, even, of political indifference. Besides, a part of the vote that repudiates political representation points in an opposite direction to pro-democratisation illusions.⁵⁶ The point is not about an abstract 'against power' but about a concrete 'for whose power'.

It is clear that, since December 2001, many things have changed in Argentina. But these changes express the reproduction of the national process of capital accumulation in its specific form. This means that they express the specific limits to the latter process and the widespread transformation of the Argentine working class into a labouring surplus-population for capital. Essentially, everything has changed so that everything can remain the same.

Capital

Thus far, it could seem that the very different conclusions to which Dinerstein and I arrive emerge from our differing approaches to Argentine capital accumulation. Nevertheless, our differences have much deeper roots, resulting from looking at capital itself from contrasting points of view.

Dinerstein supports a theory that is currently much in vogue among many critics of capitalism. This theory asserts that the capitalist mode of production still exists because it is able to impose a social relation of domination over

⁵⁴ Dinerstein 2002, p. 25.

⁵⁵ Calvo 2003, p. 12. Voting is legally compulsory for all citizens in Argentina.

⁵⁶ 'Anger voting . . . is more observed among the upper class and the upper middle class.' Ricardo Rouvier & Asociados, in *Clarín* 2002b, p. 8.

social subjects, forcing them to reproduce their lives through the mediation of abstract labour:

Capital is not an external force but a social relation, which can only be maintained by forcing human practice to exist and be recognised through abstract labour (i.e., money).⁵⁷

Thus, capital is not recognised as the general social relation that determines the social being of social subjects by itself. It is seen as a social relation imposed on a social being of the social subjects that stands beyond capital. Does it stand on an abstract 'human nature', perhaps?

From this point of view, the state and the law represent several forms of this imposition:

As the most abstract form of capital, money, like the state and the law, mediates the creation of determinate social subjects (e.g., the unemployed, the poor, a citizen with savings in a bank account).⁵⁸

Thus, capital's actual reason for existence is brought down to the mediation of the 'logic' that capital forces upon a supposed abstractly free determination of social subjects. In this line, any confrontation with established power appears as carrying within itself the self-affirmation of an abstractly free subjectivity over the subordination to capitalist mediation:

The insurrection was experienced primarily as a moment of self-possession, a moment in which fear and frustration were transformed into a collective action against power. . . . The popular insurrection of December 2001 is better understood as a human limit on the violence of capitalist anarchy in Argentina. . . . The power affirmed in December 2001 in the streets of Buenos Aires was, in fact, a negative power. The mobilising force of the insurrection was not the identity or the organisation that people join or the type of demands they put forwards, but what I would like to call the *unrealised*. The unrealised is *what we are not*. It is critique. It consists of a universe of needs, ideas, practices, experiences, desires, frustrations, dreams that were postponed and repressed. The unrealised is the undefined, that which cannot be, or exist, or be done or accomplished, that which cannot be developed or realised, that which cannot be explained but felt . . .⁵⁹

⁵⁷ Dinerstein 2002, p. 25.

⁵⁸ Ibid.

⁵⁹ Dinerstein 2002, pp. 23–4.

In this manner:

The streets have become the place for both the rejection of the subordination of social reproduction to the logic of capital and the reinvention of politics.⁶⁰

However, it is worth querying the precise nature of the 'reinvention of politics' that Dinerstein offers us. It is one in which the 'power of understanding' has collapsed into 'that which cannot be explained but felt'. Rationality has given way to the exaltation of irrationality. Every revolutionary determination of the working class has come down to Holloway's 'scream'.⁶¹

A world made of 'that which cannot be, or exist, or be done or accomplished, that which cannot be developed or realised' is a world made of many ideal constructions: chimeras, utopias, faith. But scientific consciousness has no place in it. Science only deals with real concrete existence, in its unity both as an actuality and as a potentiality.

Marx discovered that the capitalist mode of production embodies the necessity to supersede itself into a society of freely – that is, consciously – associated individuals. He discovered that the conscious revolutionary action of the working class is the necessary concrete form of this overcoming. Since then, capitalist ideology has placed objective rationality under constant attack. Of course, philosophy is the natural field to cultivate irrationality. But epistemology has developed into an autonomous field based on the assertion that scientific knowledge necessarily stops at appearances. Thus, the idea that objective knowledge is just another way of interpreting the world has acquired the strength of a prejudice.⁶²

Shaped as a utopian critique of capitalism, Dinerstein presents us with yet another fashionable attempt to excise working-class revolutionary action from its necessary base in objective knowledge.

In the world of the 'unrealised', desires, ideas, dreams and other ghosts emerging from some abstract human spirit reign over the social being of the working class.⁶³ Let us return from such a fantastic world to the concrete realisation of this social being. Let us look, thus, at the economic formation

⁶⁰ Dinerstein 2002, p. 31.

⁶¹ Holloway 2002a, p. 1.

⁶² Iñigo Carrera 2003, pp. 211–23.

⁶³ Actually, this abstract human spirit reflects the appearance that emerges from circulation. In circulation, alienated consciousness presents itself under the shape of its opposite, free consciousness. That is why ideology always sticks to this appearance.

of society as a process of natural history.⁶⁴ Human natural history is the history of the transformation of the material conditions of social life through labour. The development of the human being as a historical subject is but the development of the human capacity to act in a conscious and voluntary way upon the rest of nature, in order to transform it into a means for human life. In other words, the development of the human being as a historical subject is the development of the human condition as the subject of production, in other words, of human productive subjectivity. This development is the only materialistic concrete starting point, and therefore the only scientific one⁶⁵ in order to produce consciousness concerning any historical process.

The capitalist mode of production begins by dissolving all general direct organisation of social labour based on relations of personal dependence, thus turning producers into free individuals. In this way, it gives each concrete portion of social labour the specific form of private labour performed independently from the rest. Then, total social labour-power is allocated into its useful concrete forms through an autonomous system. As it is performed in a private and independent way,⁶⁶ the abstract socially necessary labour – a simple productive expenditure of the human body in whatever concrete form it is made⁶⁷ and, as such, a natural condition for human life, independent of the social modality it is ruled by⁶⁸ – acquires an historically specific social form. After it has been materialised in its products, it appears represented as the aptitude of these products to relate to each other in exchange, thus placing their private and independent producers into a social relation.⁶⁹ In other words, materialised privately-performed socially necessary abstract labour is represented as the value that determines use-values as commodities.⁷⁰

Since they need to produce their general social relation through material production, the free individual consciousness and will of the producers that privately and independently organise their social labour are both subject to a historically specific determination. They must submit themselves to the necessities imposed on them by the value-form of their own material product. They must act as personifications of their commodity; they must produce

⁶⁴ Marx 1965, p. 10.

⁶⁵ Marx 1965, p. 373.

⁶⁶ Marx 1965, p. 42.

⁶⁷ Marx 1965, pp. 38, 44 and 46.

⁶⁸ Marx 1965, p. 71.

⁶⁹ Marx 1965, pp. 72–4.

⁷⁰ Marx 1965, p. 38.

value come what may, as a matter of life or death. Commodity producers are free from any personal servitude because they are the servants of the social powers of their products. While the will of the producers completely dominates the private and independent exercise of individual labour, these same producers are in turn completely subordinated to the social powers of the material product of that self same labour. From the point of view of the participation of private and independent producers in social labour, their consciousness and will matter only inasmuch as these personify the powers of their commodities. The productive power of their social labour confronts the producers themselves as an alienated power, as a power incarnated in their commodities. The free consciousness and will of commodity producers is the concrete form in which their alienated consciousness and will exist.

Therefore, social production is not immediately aimed at producing use-values, but at producing the general social relation itself, that is, value. And the production of value reaches its complete development as a production of value starting from substantive value itself, in other words, the production of surplus-value. The material product of social labour that bears the general social relation thus becomes itself the subject of social production and consumption, namely, capital.

As free independent individuals, wage-labourers enter their general social relation as personifications of their only sellable commodity, their labour-power. Hence, the working class has nowhere from which to obtain any historically specific revolutionary powers other than those it gets from its own general social relation, namely, the production of surplus-value. Strictly considered, the history of the production of surplus-value is nothing but the history of the production of the material revolutionary powers of the working class and, therefore, of its revolutionary consciousness and will.⁷¹

Nevertheless, it is not just about the development of the formal subsumption of labour to capital, as it could appear when the determinations of class struggle are inverted. Through the production of relative surplus labour, labour becomes really subsumed in capital.⁷² Even in the very process of individual consumption and in their determination as a working class, the

⁷¹ 'It is not a question of what this or that proletarian, or even the whole proletariat, at the moment *regards* as its aim. It is a question of *what the proletariat is*, and what, in accordance with this *being*, it will historically be compelled to do'. Marx 1975, p. 37.

⁷² Marx 1965, pp. 509–10.

workers become an attribute of capital.⁷³ Thus, capital produces and reproduces them as human beings, that is, as bearers of consciousness.⁷⁴ This happens to the point that capital even rules the laws of their biological reproduction.⁷⁵ In the circulation of commodities, the consciousness of the labourers appears as free. However, the consciousness and will of the labourers are actually determined as the necessary concrete forms taken by the alienation of labour's powers as capital's powers, namely, their own objectified general social relation that has become the alienated concrete subject of social life.

In pursuit of relative surplus-value, capital constantly revolutionises the material conditions of production. So much so that, in developing the machinery-system, it revolutionises the very nature of labour. Essentially, labour ceases to consist of the exertion of human labour-power upon its object in order to effect its transformation. In contrast, it centres on the application of human labour-power to the scientific control of natural forces and to the objectification of this control as an attribute of machinery, so as to make those natural forces act automatically upon the object in order to transform it.⁷⁶ Consequently, commodity producers are collective individuals – formed by doubly-free workers, both in the sense of not being submitted to anyone's personal domination and of being separated from the means of production needed to produce their life on their own account – that perform their labours in a private and independent way. As independent private producers, these collective producers possess complete dominion over their individual labour processes, but lack all control over the latter's general social character. Therefore, they must submit their consciousness and will as collectives formed by free individuals to the dominion of the social powers of the material product of their labours, capital: they must produce surplus-value. The free consciousness and will of the members of the collective labourers are the concrete forms of their consciousness alienated in capital.⁷⁷

The transformation of labour and of commodity producers makes evident the historical reason for the existence of the capitalist mode of production: the transformation of the productive powers of free individual labour into the productive powers of collective labour consciously organised by the

⁷³ Marx 1965, p. 573.

⁷⁴ Marx 1965, p. 578.

⁷⁵ Marx 1965, p. 643.

⁷⁶ Iñigo Carrera 2003, p. 11.

⁷⁷ Iñigo Carrera 2003, p. 13.

same collective labourer that performs it, under the contradictory form of the socialisation of private labour.⁷⁸ This contradictory socialisation necessarily takes on a concrete form through the centralisation of capital. The revolutionary action of the working class is the necessary concrete form in which the above-mentioned constant revolution in the materiality of labour – which, at the same time, entails their direct socialisation – develops its need to be organised as a directly social power that transcends the limits of its private capitalist form. Therefore, this revolutionary action is the necessary concrete form in which the capitalist mode of production fulfills its historical necessity to supersede itself through its own development, thus engendering the general conscious organisation of social life.

This process does not flow through the abstract possibility of the working class turning its back on its own social being and the revolutionary powers it bears, in the name of the abstract freedom inherent to circulation. On the contrary, it flows through the working class taking its alienated general social relation into its own hands, in other words, appropriating social capital. This appropriation implies the centralisation of capital as state property⁷⁹ and obviously points towards the absolute socialisation of private labour through the formation of a global state.

The currently fashionable ideological rejection of seizing state power, that is, of seizing the power of the general political representatives of social capital, does not express the power of a social movement in order to overthrow capitalism. On the contrary, it expresses its *impotence* to do so.⁸⁰ The centralisation of capital through the political action of the working class is certainly not the path of carnivals and ‘explosions of the principle of pleasure’ offered by Holloway.⁸¹ Likewise, it is not the path of innocence, simplicity and love offered by Hardt and Negri.⁸² In contrast, as it is inherent to the development of human freedom through the development of alienation, it is a path that runs through the gamut of misery, suffering and bloodshed that capital imposes on the working class. Yet, it is the only path opened for the working class to overcome itself by superseding the capitalist mode of production.

⁷⁸ Iñigo Carrera 2003, p. 28.

⁷⁹ Marx and Engels 1976, p. 504.

⁸⁰ Iñigo Carrera 2003, pp. 103–4.

⁸¹ Holloway 2002a, p. 215.

⁸² Hardt and Negri 2000, p. 413.

The historical powers of the Argentine working class

Contrary to the generic historical power of the capitalist mode of production, capital accumulation in Argentina has developed on the basis of the absence of capital concentrated on a scale necessary to partake actively in the development of society's productive forces. Argentina has received an extraordinary influx of social wealth in the form of differential agricultural ground rent. Still, instead of transforming this mass of wealth into capital concentrated on a scale able to develop the productive forces, Argentine capitalism has spoiled it by feeding capitals whose mere existence comprises a retreat from that development. In the first place, it has fed small capitals that are incapable of stimulating normal levels of labour productivity owing to their restricted scale. Secondly, it has fed capitals bearing a normal global scale but that fragment themselves as small capitals for the purposes of operating in Argentina. Thus, they have freed these capitals from the inherent necessity to develop labour productivity in order to valorise themselves. Therefore, such spoilage of social wealth has meant in itself a retreat from the historical development of society's productive forces inherent to the capitalist mode of production.

The Argentine working class emerged from the specific national form taken by capital accumulation. Hence, the reproduction of this specific form has been a condition for its reproduction as an actively employed working class that is able to maintain its labour-power. This subjection has hindered the Argentine working class from assuming the process of transforming ground rent into concentrated capital. Thus, the specific form taken by capital accumulation in Argentina has not only deprived the national working class of its generic historical powers as the direct personification of the development of society's productive forces; it has, at the same time, closed the concrete path opened to the national working class in order to overcome that deprivation.

The mutilation suffered by the historical powers of the Argentine working class is immediately reflected in the leading role played by the unions within its political organisation. The fulfilment by the working class of its generic powers would have demanded independent political action. That is to say, an action able to impose itself over and above the conditions corresponding to the immediate reproduction of labour-power and, hence, over and above trade-union action. Conversely, the sterilisation of those generic powers has taken concrete shape through the subordination of the independent political

action of the working class to its immediate reproduction under the specific form of the national process of capital accumulation. In other words, it has subordinated working class political action to trade-union action.

Nevertheless, the historical powers of capital accumulation provide the Argentine working class with a specific possibility to reverse the present state of affairs, thereby halting its accelerated transition into the labouring surplus population. It is a question of the Argentine working class consciously regaining its generic historical powers by personifying the development of the material productive forces of society. This is not an abstract potentiality, let alone one that arises from the abstract consciousness of the working class. On the contrary, it arises from the consciousness of the Argentine working class being determined as an attribute of capital. Concretely, it is about overcoming the strength that Argentine capital accumulation obtains from freeing itself of its historical role in the development of society's productive forces. It is to be achieved by imposing upon it the overwhelming strength that capital accumulation gains from accomplishing its historical role. A strength that, in the Argentine case, becomes specifically stressed by the magnitude of the extraordinary influx of surplus-value through differential agricultural and energy-sources' ground rent.

The transformation of ground rent into capital able to actively participate in the development of productive forces by acting as a normal productive capital located in Argentina, requires its concentration on a scale necessary in order to compete on the world market. In turn, achieving this scale demands nothing less than the centralisation of capital as a direct social property within Argentina. Therefore, the transformation in question could only take the concrete political form of the abolition of the capitalist and landowner classes within the country. In other words, it could only be performed through a social revolution in which the working class, whose surplus labour would feed the concentrated capital, transforms itself into the collective owner of this capital under the political form of state capital.

By reproducing its specific form, the national process of capital accumulation reproduces only a diminishing part of the Argentine working class as an actively employed working class that is able to reproduce its labour-power. Nowadays, the transformation of ground rent into concentrated capital has become an immediate condition for regaining the normal reproduction of the Argentine working class. Thus, its independent political action has developed a new basis in order to impose itself on union action.

If even the thus-concentrated capital were unable to reach the scale needed to compete on the world market, only one further alternative would remain for the Argentine working class to take part actively in the development of the material productive forces of society. Namely, to integrate its immediate political action with that of the working classes of neighbouring countries in order to form an expanded domestic space for capital accumulation within which the centralisation in question could fit.

Only when the Argentine working class starts to move in these directions will it be truly possible to claim that everything has changed in Argentina.

References

- Altamira, Jorge 2002, *El Argentinazo. El presente como historia*, Buenos Aires: Rumbos.
- Amato, Alberto and Lucas Guagnini, 'La trama política de los saqueos de diciembre', in 'El estallido de violencia social', pp. 16–18.
- Anonymous 2002a, 'Los focos de la violencia en el conurbano', in 'El estallido de la violencia social', p. 17.
- Anonymous 2002b, 'Municipios que lo evitaron', in 'El estallido de violencia social', p. 17.
- Bonnet, Alberto 2002, 'Que se vayan todos. Crisis, insurrección y caída de la convertibilidad', *Cuadernos del Sur*, 33: 39–70.
- Braslavski, Guido 2002, 'Juárez: "Que se queden todos"', *Clarín*, Buenos Aires, 14/9/02, p. 18.
- Calvo 2003, 'Una fuerte participación enterró al voto bronca y dio paso al voto útil', *Clarín*, 28 April: 12.
- Calvo and Guagnini 2004, 'Casi un 40% de los hogares vive de planes para pobres', *Clarín*, Buenos Aires, 4 January: 28–30.
- Clarín* 2002a, Buenos Aires, 16 September: 10.
- Clarín* 2002b, Buenos Aires, 27 October: 8.
- Colectivo Situaciones 2002, 'Borrador de investigación no. 3. Asambleas, cacerolas y piquetes (Sobre las nuevas formas de protagonismo social)', available at: <http://194.109.209.222/colectivosituaciones/borradore_03.html>.
- Dinerstein, Ana 2002, 'The Battle of Buenos Aires. Crisis, Insurrection and the Reinvention of the Political in Argentina', *Historical Materialism*, 10, 4: 5–38.
- 'El Estallido de la Violencia Social', *Clarín*, Buenos Aires, 19/5/2002: 16–19.
- FIEL 2001, *Crecimiento y equidad en la Argentina. Bases para una política económica para la década. Síntesis y propuestas*, Buenos Aires: Fundación de Investigaciones Económicas Latinoamericanas.
- Galvani, Mariana, Florencia Levy and Lucrecia Gringauz 2002, 'Tomar(no sólo) la palabra', *El Necio*, 10: 10–11.
- Guagnini, Lucas 2002, 'El rol de las "bandas de la droga"', in 'El estallido de violencia social', p. 19.

- Hardt, Michael and Antonio Negri 2000, *Empire*, Cambridge, MA.: Harvard University Press.
- Holloway, John 2002a, *Change the World without Taking Power: The Meaning of Revolution Today*, London: Pluto Press.
- Holloway, John 2002b, 'Argentina: ¡Que se vayan todos!', *Herramienta*, 20, 7: 71–6.
- INDEC 2002, 'Encuesta Permanente de Hogares. Ondas Octubre 2001 y Mayo 2002', Instituto Nacional de Estadística y Censos, Buenos Aires: INDEC.
- Iñigo Carrera, Juan 1998, 'La acumulación de capital en la Argentina', Documento de Investigación, Centro para la Investigación como Crítica Práctica.
- Iñigo Carrera, Juan 2000, 'Crisis y perspectivas del capitalismo argentino', *Realidad Económica*, 171: 52–75.
- Iñigo Carrera, Juan 2002, 'Estancamiento y deuda externa: Evidencias de la especificidad de la acumulación de capital en la Argentina', *Ciclos*, 23: 3–38.
- Iñigo Carrera, Juan 2003, *El capital: razón histórica, sujeto revolucionario y conciencia*, Buenos Aires: Ediciones Cooperativas.
- La Nación*, Buenos Aires, 1/2/2005: 6.
- Llach, Juan 1997, *Otro siglo, otra Argentina: una estrategia para el Desarrollo económico y social nacida de la convertibilidad y de su historia*, Buenos Aires: Espasa Calpe Argentina/Ariel.
- Marx, Karl 1965 [1867], *Capital*, Volume I, Moscow: Progress Publishers.
- Marx, Karl and Frederick Engels 1976 [1848], *Manifesto of the Communist Party*, in *Marx and Engels Collected Works*, Vol. 6, Moscow: Progress Publishers.
- Marx, Karl 1975 [1845], *The Holy Family or Critique of Critical Criticism. Against Bruno Bauer and Company*, in *Marx-Engels Collected Works*, Volume 4, New York: International Publishers.
- Marx, Karl 1991 [1894], *Capital*, Volume III, Harmondsworth: Penguin.
- Marx, Karl 1993 [1857–8], *Grundrisse: Foundations of the Critique of Political Economy*, London: Penguin.
- Página 12*, Buenos Aires, 19/2/2005: 6–7.
- Petras, James and Henry Veltmeyer 2002, 'Argentina: Between Disintegration and Revolution', available at: <www.rebellion.org/petras/english/argentina200602.htm>.
- Tomasi di Lampedusa, Giuseppe 2000, *Il Gattopardo*, Milano: Universale Economica Feltrinelli.
- Young, Gerardo, Lucas Guagnini and Alberto Amato 2002, 'La [Policía] Bonaerense y sus dos caras durante los saqueos', in 'El estallido de violencia social', pp. 20–2.

Copyright of *Historical Materialism* is the property of Brill Academic Publishers and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.

**From Simple Commodities to Capital-Commodities:
The Transformation of Values into Prices of Production**

Juan Iñigo

Presented at the
Second Spring Conference of the
International Working Group in Value Theory
New York, March 17-19, 1995

Buenos Aires, February 1995

**CICP
CENTRO para la INVESTIGACION
como CRITICA PRACTICA**

Casilla de Correo 5417, 1000 Correo Central, Capital Federal, Argentina
jinigo@inscri.org.ar

The point is not to interpret Marx's texts in different ways but to follow his advance upon the concrete determinations	1
The material production that produces the general social relation: commodities as the fetishistic products of social labor	1
The materialized general social relation that becomes the subject itself of social production and consumption: commodities as the product of social labor alienated as a capital's potency, that is, capital-commodities	4
Capital-commodities as equally valorized values.....	9
Capital-commodities as equally valorized values that equally valorize themselves	14
The transformation of money into a product of capital	25
The realization of capital-commodities in competition	27
Total social capital and conscious revolutionary action	31

From Simple Commodities to Capital-Commodities: The Transformation of Values into Prices of Production

Juan Iñigo

The point is not to interpret Marx's texts in different ways but to follow his advance upon the concrete determinations

From the very beginning of his research, Marx pointed out that “the reproduction of the concrete through the path of thought” revolutionarily overcomes the scope of interpretations of reality. By following that procedure, he discovered commodities as the simplest specific form that the general social relation takes in present-day society. Then he advanced by following commodities as they determine one of them as money. He went on following money as it realizes its necessity by transforming itself into capital. And he followed capital through its own development until discovering capital's main historical potency, that is, the necessity of capital to annihilate itself as the concrete form of the general social relation into the community of the freely, - i.e. consciously - associated individuals. On doing so, he got to develop the simplest concrete form in which commodities negate themselves as the simple product of labor, to affirm themselves as the products of labor alienated as a potency of capital. In other words, he got to develop the simplest form in which commodities really determine themselves as capital-commodities and, therefore, the simplest form in which the surplus-value materialized in them develops its concrete form of average profit, thus making their value take its concrete form of price of production. Still, having reached this point, Marx committed what some people regard as a big mistake: he died, so he could not carry his research beyond those simplest forms.

Since then, political economists, mainly Marxist political economists, have focused on these transformations. So the point has taken its well-known form of the “debate about the transformation problem.” Did Marx fall into a mathematical mistake when he represented the transformation? Can this mistake be solved without showing the rest of Marx's construction to be invalid? Is it coherent with Marx vision the use of a system of simultaneous equations? Was Marx considering technical relations along with social ones? Was he only trying to achieve a clear representation of exploitation? Was he attempting to provide a proper approximation to the process of price formation? Did he construct a redundant value-system? Did he conceive money in a way that can be considered obsolete today?

Still, the point is not to interpret reality by interpreting Marx in different ways. The point is to change reality. Therefore, the true question at stake concerning the transformation of commodities into capital-commodities is: what is to be done to consciously act upon this transformation, which specifically determines capital as a directly social potency, that is, as total social capital? It is about the concrete form of our conscious action.

The material production that produces the general social relation: commodities as the fetishistic products of social labor

All individual actions are concrete realizations of the process of social metabolism. Therefore, the regulation of this collective process realizes itself as the organic unity of the individual actions. In other words, the regulation of the social metabolism process is the social relation among its members. Under its simplest form, this regulation takes shape as the cognition by each individual (as a moment of his/her own individual metabolism process) of

the stage at which the metabolism processes of the other individuals that interact with her/him are, so as to integrate the unfolding of the corresponding part of his/her own metabolism process with them. Human life acquires its own generic being, thus overcoming itself as a specific form of animal life, through the development of its power to transform the environment into a means for itself, to produce its own means of living. As soon as, in this development, the human social metabolism process overcomes the mere coincidence of the undifferentiated individual metabolism processes, that is, as soon as the social division of labor arises, its regulation needs to determine the concrete material form that process is going to take in each of its circuits. Social regulation thus needs to start by allocating the total available capacity for performing productive labor (and, accordingly, for performing consumptive labor) among the different concrete forms this labor needs to take to realize each circuit of the social metabolism process.

The regulation of the human social metabolism process, the general social relation among human beings, has the purely animal immediate cognition as its historical origin. At least according to its length, most of human history up to now has been the history of the transformation of this animal relation into the regulation of social metabolism by means of thought through direct personal relations. In this regulation, the allocation of society's total labor-power into its different concrete forms does not go beyond the control upon them directly as such. Thus, this control is able to develop human material productive forces beyond its own reach as the general form of social regulation. Nevertheless, at the same time, it is unable to develop human cognition so as to make social regulation a collective power of the individuals that cognize, each of them, his/her own determination as a concrete subject of the social metabolism process; that is, a collective power of the freely associated individuals.

The absence of a general coordination through cognition in the allocation and development of social labor determines individuals as private independent producers. Insofar as purely such, they have no way to get into relation by themselves to incarnate the social metabolism process. To begin with, these producers do not retain any social relation other than being individual personifications of society's total power to perform productive labor. This total labor-power is, as such, the capacity for performing human labor in general. The realization of this capacity under the mass of its different concrete forms is, thus, the development of the general social relation among the private independent producers. The materialization of that mass of concrete labors into the mass of its products materializes at the same time the general social relation it carries in itself.

Since the general social relation itself, that is, the social regulation of production, is realized through the process of material production, a specific determination to this relation arises. Nothing prevents the labor-power with which society opens the circuit of its metabolism process, from being realized under some concrete forms whose products are unfitted to close that circuit. Therefore, the products of social labor are materializations of total society's labor-power in act, and materializations of socially useful labor (that is, of labor that is necessary for the realization of the social metabolism process), only as a possibility. Still, this possibility has reached by now a concrete form fitted for an immediate realization. It is realized through the exchange of the product of a concrete labor, unsuited for closing the individual metabolism process of its producer, for another one that is suited, being both equivalent as materializations of the same amount of human labor in general. As soon as the product of a private independent producer is useless to satisfy a social necessity, to close the circuit of the social metabolism process, it will show itself as incapable of attracting other use-values to be exchanged with. Despite being the materialization of a part of the total society's productive labor-power as much as any other, it ends up excluded from social labor. The human abstract labor materialized in these products - naturally inherent in all human products - thus develops the specific social determination - only inherent in the absence of a direct

regulation of the social metabolism process - of being represented, insofar as it is socially necessary, as the capacity of these products for relating among themselves in exchange and, through this relation, to socially relate their producers. As it is thus represented, the socially necessary abstract labor materialized in its products becomes the value of these products. The natural forms of these products, their use-value, acquire the social form of commodities, their value form. The social metabolism process is thus autonomously regulated by determining the material production, at the same time, to become the production of the general social relation. Productive labor becomes therefore specified by this twofold determination.

The private producers lack any direct general social relationship among themselves. They must act, and consequently see themselves, as being mutually independent. They come to face their general social interdependency only through the mediation of their material products. Therefore, this relation appears to them as an attribute inherent in the material form itself of these products, as a fetishistic social relation.

When it acts as living labor, that is, as it changes its own material form as such into a newly produced use-value appropriate for the development of the social metabolism process, productive socially necessary labor creates value. Obviously, by acting, living labor transforms the use-value of the means of production it consumes into that newly produced use-value. The labor materialized in these means of production (therefore, dead labor by now) has once been confirmed as being socially necessary through the realization of their value at the time they were purchased. Still, after they are productively consumed by living labor, society has yet to confirm that it is determined to allocate the labor originally performed to produce them into the new concrete material form they have acquired. Therefore, the abstract labor originally materialized in them reappears in the value of the use-values produced by using them, as it is confirmed again as being socially necessary. In other words, living labor maintains the value of the means of production it consumes (that is, the socially necessary abstract labor materialized in them that has been represented as the capacity of these means of production for relating in exchange as commodities) as the corresponding part of the value of the new commodity it produces.

Value has no way of expressing itself directly through its substance, the socially necessary abstract labor materialized in a commodity. To do it, this labor should manifest itself as being socially necessary at the very moment the concrete labor that produces each commodity is performed. In other words, such expression presupposes that the concrete labors are performed as a directly social one, and therefore, presupposes the direct regulation of the social metabolism process. Still, if the products of labor take the social form of commodities, it is precisely because the concrete labor that produces them is the very negation of directly social labor, i.e., private labor. Only after it has been materialized, and indirectly as abstract labor, this private concrete labor can be confirmed as a part of the social labor or not. Since it is the socially necessary materialized abstract labor represented as the capacity of commodities for relating among themselves in exchange, value lacks any way for manifesting itself other than in exchange itself. Therefore, the value of a commodity necessarily expresses itself only in the use-value, in the body, of the commodity that is exchanged for the commodity in question as its equivalent. With its quantity determined by the amount of time of socially necessary abstract labor materialized in a commodity, value takes its concrete form of exchange-value; that is, of the quantity of a commodity's value that expresses itself as a certain quantity of another commodity's use-value.

Commodities are the simplest specific form of present-day general social relation. Still, until the very moment they are realized in exchange, commodities are this relation only potentially. Commodities solve this contradiction they are in themselves by determining a particular commodity as the substantive general equivalent of their community, in which all the rest of them express their value. This special commodity, money, ceases to have its

exchangeability, the realization of its value, determined as a possibility; it is the direct incarnation itself of exchangeability. It thus develops a specific use-value, that of being the substantive incarnation of value, a pure materialization of the general social relation. The product of a concrete private labor becomes the direct incarnation of abstract social labor. As this materialization, money develops its functions up to reaching the ones of means of payment, hoard, and world-money. On fulfilling money these functions, the circuit of the circulation of commodities does not take the simple shape $C - M - C$ any longer, but formally ends with the step $C - M$. In the corresponding part, commodity production ceases to be a production of use-values regulated by their condition of values. It becomes specifically determined as such production, having the universal form of value itself, the general social relation in its concrete materialization, as its direct object.

The materialized general social relation that becomes the subject itself of social production and consumption: commodities as the product of social labor alienated as a capital's potency, that is, capital-commodities

Productive labor-power is not by itself a means for human life and, therefore, it is not an use-value by itself, but a moment of the human social metabolism process itself. Nevertheless, as substantive value itself becomes a direct object of social production, the power to produce value (that is, the capacity for laboring as a producer of commodities) develops the possibility of becoming an use-value. It is about the possibility of producing more value than required by its own production. Consequently, this new use-value does not concern as such the natural possessors of the labor-power at stake. It only concerns someone different from them, that gets to possess the use-value of that labor-power by purchasing it for its value as a commodity. What directly concerns those natural possessors is the fact that the separation between private labor and social labor necessary develops through a specific possibility: insofar as individuals are private independent possessors of their own productive labor-power, they may become separated from the material conditions needed to put this power into action. Once the private independent producers are separated from the means to produce their lives, the realization of their own productive labor-power faces them as a condition that is externally determined with respect to that process. Thus, this power appears to them as a non-use-value for themselves, that they possess. At this stage, they are left with no general social relation to produce their lives other than the possibility to sell this power as a commodity itself.

Since labor-power thus becomes a commodity, money negates itself as a specific direct object of social production to affirm itself as the subject that opens each circuit of social production to close it once it has valorized itself, $M - C - M'$. The general social relation takes its concrete shape as money that engenders money, substantive value that valorizes itself. Money thus transcends itself into capital. From the specific viewpoint of commodity production, it did not suffice to transform nature into a means for human life for a labor to be a part of society's productive labor. To be such, a labor needed to produce value. Now, this production does not suffice either. In capitalist production, productive labor is only that which produces surplus-value. Only when capital has realized itself as such, the human labor from which its valorization nurtures itself has produced the general social relation and, therefore, unfolded the potencies inherent in this historical form the social metabolism process takes. Capitalist production is not a production of use-values regulated by the condition of these as values. It is not even a production of use-values which is only a means for the production of substantive value. It is a production of value in itself that yields as its result the production of use-values and, hence, of human beings; it produces human beings specifically determined as capitalists and proletarians. Capital, materialized labor and, as such, a means of human social

metabolism process, has taken possession of the generic potentialities of this process. Capital thus presents itself as the alienated incarnation of the generic human being. The product of social labor, a material product that is at the same time the materialized form of the general social relation, has transformed itself into the concrete social subject. From being a formally fetishistic material form, this product thus faces its own producers as the one which produces them, as a real fetish, so to speak.

The laborers realize the use-value of the means of subsistence that they indirectly get in exchange for their labor-power, through individual consumption. In part, this consumption is mediated by another material production process. The purchased means of subsistence are individually consumed by other members of the households of the wage-laborers. Thus, those means of subsistence are transformed into the labor-power of these members, which goes into action and produces new means of subsistence that finally enter the individual consumption of the wage-laborers. This production process thus involves a new allocation of social labor-power into its concrete forms. Nevertheless, considered in itself, this allocation is regulated through direct personal relations. However the use-values thus produced are materializations of socially necessary abstract labor, this labor does not need to be (and has no way of being) represented as their value-form to be determined as such social labor. The social product has apparently lost its commodity-form while it goes on flowing and being transformed inside the household. Still, this is only a specific ambit through which the general social relation realizes itself. From the point of view of the general regulation of the social metabolism process, the labor-power thus allocated, and hence, the labor-power that has provided the means of subsistence that made this production possible, follow the fate of the marketable labor-power in which they become materialized.

If this were just a production of commodities, individual consumption would bring to a complete end the general social relationship materialized in those means of subsistence. But now social production has transcended into a production of more value by means of value, and human life itself has negated itself as immediately such to affirm itself as a mere moment in the life of capital. The process of individual consumption by those who sell their labor-power is, in itself, the process in which they produce the use-value in which their general social relation is materialized and, therefore, the process in which they produce their general social relation itself. Then their general social relation is not exhausted with their individual consumption, but it reappears as the value of their labor-power. Only if this labor-power finds a buyer, the socially necessary abstract labor previously materialized in the means of subsistence needed to produce it, will be reconfirmed as such under this new material form it has taken. From capitalist society's specific point of view, the final consumption will only occur when this labor-power becomes productively consumed, which here means, consumed to produce surplus-value. In that moment, the value materialized in the labor-power will actually disappear, and the new value created by the performed living labor will be materialized in its product. If the labor-power does not find a buyer, the socially necessary abstract labor materialized in the means of subsistence will show not to be such any longer under the new material form in which it has been allocated. Therefore, it will show it has been spent under a socially useless concrete form, and consequently, an useless form for its own producers, who thus become deprived from their general social relation and, finally, from their own natural lives.

As the personifications of capital they are, the capitalists appropriate the surplus-value (that is, the surplus of socially necessary abstract labor that exceeds that of the labor-power consumed in the production process - surplus-labor - materialized in the corresponding surplus-product that represents itself as the capacity of this product for relating in exchange with other commodities) for free. Nevertheless, this appropriation is based upon the exchange of all commodities for their value. That is, the exchange of all commodities as equivalents of a

common immediate social substance, the socially necessary abstract labor materialized in them. The exploitation of the direct laborers by the capitalists thus takes concrete form through the apparent equality of these two social classes as commodity producers.

The very existence of any exchange presupposes the existence of an immediate common substance materialized in its objects that makes them commensurable. However, commodities are no longer the simple product of labor. They are now the product of labor insofar as this is alienated as a potency of capital. Therefore, they are no longer simple materializations of socially necessary abstract labor that represents itself as the capacity of commodities for exchange, but this materialization only under its concrete form of materializations of valorized value, of capital. In brief, they are not simple commodities but the product of capital, capital-commodities. And they relate as such in exchange. Can socially necessary abstract labor still be the immediate common substance that enables capital-commodities to be compared as equivalents in exchange?

Since money is empty of other use-value than being substantive value, the production of money by money itself cannot embody any qualitative general determination other than the realization of a difference that is a purely quantitative one in itself. The social metabolism process has now as its general regulation the production of this quantitative difference. *The immediate common social substance of capital-commodities, that enables them to relate as equivalents in exchange, is consequently determined by the equalization of the capacity of the capitals materialized in them for realizing that quantitative difference.* The products of labor now have their value form determined under the concrete form of *materializations of socially necessary abstract labor that is represented as the capacity of these products for relating among themselves in exchange insofar as materializations of equally valorized values.* As soon as the process of capital's self-valorization is reproduced (obviously, regardless if in a simple or an expanded scale), this value is determined as *an equally valorized value itself that is equally valorized.*

Under its simplest form - the materialization of value that valorizes itself by metamorphosing itself into labor-power and realizing this one's specific use-value - capital is a purely variable magnitude. The production of a given quality and quantity of labor-power requires, in the average of the individual workers, the same amount of social labor. That given quality and quantity of labor-power tends to be realized with the same intensity during the same period of time, also as an average. Therefore, all its units are able to produce the same amount of value. Since all labor is reduced to simple-labor in the production of value, all capitals tend to emerge from each of their metamorphosis circuits valorized in an equal proportion. That is, the rate of surplus-value, s/v , tends to be a general one. Therefore, the equivalence of capital-commodities as equally valorized values immediately expresses itself in their simple equivalence as values. Thus far, the value embodied in each commodity reappears as being quantitatively identical to itself in the concrete form it takes as the value of capital-commodities.

Nevertheless, it does not suffice with buying labor-power to put it into action. It must be supplied with the means - instruments and objects - of production upon which it can unfold itself. The disbursement of money to buy these means of production has no immediate necessity other than the valorization of that money itself. Therefore, due to its form, this is a disbursement of capital as much as any other. Still, the use-values in which it is materialized lack any capacity for producing value by themselves. All its value could do is to reappear in the value of the commodities produced by the living labor that uses them. Since it essentially is a variable magnitude of money, capital thus negates itself as simply such to affirm itself as constant capital. But, in turn, constant capital negates itself as the abstract negation of the power to valorize itself, by imposing itself as a condition for the valorization of variable capital. Capital thus determines itself as the producer of surplus-value in its organic unity of

labor-power and means of production in which variable and constant capital are respectively materialized, productive capital. In general, to a greater amount of constant capital materialized in the instruments of production, a greater productive power of the labor that productively consumes them corresponds; in turn, this greater productive power results in the productive consumption of a greater mass of constant capital materialized in the objects of production. In general again, to a greater productive power of labor, a greater power of capital to valorize itself corresponds. Hence, insofar as it is determined by the technical composition of capital, the relation between constant capital and variable capital properly shows the composition of capital as the organ that produces surplus-value, the organic composition of productive capital: c/v . Abstractly considered in its simplest determination, to a higher organic composition of capital a higher rate of surplus-value corresponds. Nevertheless, given the general conditions of valorization that correspond to a certain stage in the development of capitalism and, therefore, once determined the corresponding general rate of surplus-value, the organic composition of capital differs from one special sphere of social production to the next according to the specific material conditions that prevail in each of them. Thus concretely determined, a higher organic composition results in a lower power to valorize itself of the total productive capital placed into action.

Capitals that are identically determined as pure self-valorizing value come to differ from each other due to the specific material conditions under which each of them exercises its capacity for valorizing itself insofar as a capital disbursed in labor-power and means of production. These material conditions, that are nothing but the concrete forms through which capital realizes its qualitative determination as the production of a purely quantitative difference, thus stand up as the negation of this very realization. Since all qualitative determinations are reduced to the realization of a purely quantitative difference in capital's turnover circuit as a process of self-valorization, an equally purely quantitative base necessary imposes itself to homogenize this differentiation. Time becomes this purely quantitative necessary base, with the year as its (initially natural and thereafter historical) concrete unit.

Now then, the annual base itself embodies a further determination to the capacity for valorizing themselves of specific industrial capitals. Each portion of variable capital needs a different period of time to complete its turnover, according to the material conditions it must face in its specific sphere. These material conditions determine the length of the working-time, but also push production-time beyond working-time and determine the length of, in the strict sense, circulation-time. Therefore, a given amount of variable capital can complete a greater or lesser quantity of turnovers in a given time, depending on the special sphere this disbursement takes place. Since it emerges from each of these turnovers valorized at the general rate of surplus-value, a given amount of money advanced as variable capital renders a greater or lesser amount of surplus-value in a given period of time. And this difference in the valorization capacity of an advanced variable capital formally extends itself to the constant capital that must be advanced to put labor-power in action. Therefore, from here on we will indicate this determination directly by its concrete form, i.e. the different turnover rates of capitals. Only those capitals with a unitary annual turnover rate have the same capacity for valorizing themselves whether this capacity is considered on the basis of each turnover or the year.

This double self-negation of capital as a value that valorizes itself proportionally to its own magnitude takes shape in the value of the capital-commodities insofar as this value is determined by the organic unity of each individual productive capital in each of its turnovers. However much these commodities may be mutually equivalent as the simple products of labor, or better stated, because they are such, they are not yet determined to be equivalents as the products of capital. The equalization of the rate of surplus-value in each circuit of variable capital is thus unfitted to express the equivalence between capitals as simple values that

valorize themselves. Capital can no longer express its capacity for self-valorizing in the organicity of that rate. The expression of this capacity develops its first concrete form as the formal (therefore, external) relation between the surplus-value produced in each turnover circuit and the total capital advanced to achieve this production. Capital thus determines its profit rate inside each of its turnover circuits: $s/(c+v)$. Next, this formal expression overcomes the differences that emerge from the specific turnover rate of each variable capital. It does so by becoming determined as the relation between the total surplus-value produced on a yearly basis and the total capital advanced for this production in each special sphere. The capacity of productive capital for valorizing itself thus takes its concrete form as the annual rate of profit of each individual capital.

Insofar as the annual rate of profit is immediately determined by the individual valorization of each capital, it cannot go beyond being the crystallized expression of the general nonequivalence of commodities that embody the same amount of abstract labor, as the products of capital. Since capital is the concrete form of the general social relation among the independent private producers, it lacks any unity as society's total capital other than being the collection of all individual capitals. Nevertheless, it is in this external unity that the fracture of capital-commodities as the materialization of socially necessary abstract labor and of equally valorized value becomes canceled. Under its concrete form of society's total capital, capital reestablishes the unity between its organic and its formal power to valorize itself. It is now this unity that realizes its necessity by determining the individual capitals as the concrete forms of the total social capital. Productive capital has to reach its complete externality to be determined as total social capital. Consequently, individual capitals are determined as social capital's concrete forms without involving any determination other than the purely quantitative one of being, each of the former, an aliquot part of the latter. That is, individual capitals become the concrete forms of total social capital without keeping any specific difference among themselves other than their relative amount during a given time. Each individual capital realizes its necessity as a concrete form of total social capital by contributing to total surplus-value in accordance with its specific conditions of valorization and taking from this total surplus-value the pro rata part that corresponds to it. The formal power to valorize themselves of the individual capitals is thus determined as the general annual rate of profit. Given the form itself it is determined, this general rate realizes itself as such by taking the concrete form of an average, namely, the average annual rate of profit.

Once it is determined as materialized socially necessary abstract labor that represents itself as the capacity of commodities for relating among themselves in exchange - and thus to socially relate their producers - in their concrete equivalence as materializations of that same labor proportionally multiplied as such, the value of commodities takes its concrete form of price of production. The development of commodities into capital-commodities is in itself the transformation of surplus-value into average profit and, therefore, the transformation of values into prices of production. The realization of the general rate of profit is the concrete form through which the total productive labor-power of society is allocated under its concrete forms in capitalist society.

At this stage, the means of subsistence consumed by the productive-laborers to produce their labor-power with the concrete attributes that correspond to the prevailing productivity and intensity of labor and the length of the working day, circulate at their prices of production. These prices are now the concrete form of value that reappears as the value of labor-power. The value of labor-power itself thus develops its concrete form of price of production. Now, even in circulation, the natural possessors of labor-power show they have become the incarnation of valorized value, the alienated product of the fetishistic general social relation that autonomously regulates human life, of capital. And they show, even in circulation, that they are such product as the product of total social capital, therefore, not individually but, as *a*

class, as the proletariat. Nevertheless, from the inverted point of view of capital's apologists, the exchange of equivalent capital-commodities in circulation, that is in itself the appropriation of the surplus-product of the wage-laborers by the capitalists beyond any equivalence, has reached the perfect ideological form: it is about everybody seeking the valorization of their capital, most of them their "human capital," the absolute minority, their "material capital," for the harmonious equilibrium of social life to be achieved.

Capital-commodities as equally valorized values

With the development of surplus-value into average profit, society's total capital shows to be the alienated concrete subject of the social metabolism process in capitalist society. The annual circuit of this capital gives its unity to the development of exchange-value into prices of production. The annual circuit in question manifests itself as that of commodity-capital; $C' \dots C'$, in its simplest form. Since this development involves the production of surplus-value itself, we need to reflect in the circuit of commodity-capital the movement of productive capital inside each special sphere of production. The circuit of social capital thus appears as the aggregate of the circuits of valorization developed during the year, $c + v + s = C'$, in each sphere. Let us consider that this circuit is fragmented in n special spheres as we represent the determinations at stake in general, and in five spheres, when we consider their concrete quantum. In the latter case, we will isolate each of the basic determinations by producing two separated representations. The general case and the first concrete one, correspond to all portions of social capital having a unitary annual turnover rate, $(v + c)/C$, with their specificity reduced to their different organic compositions. In the second concrete case, all capitals have the same organic composition but differ in their turnover rates. Let us also consider that there is only circulating capital, with a single turnover rate both for its variable and constant parts inside each sphere. Let us finally assume that the value of all commodities is indistinctly expressed in ('... of) units of the money-commodity (ounces of gold) or in ('... of) units of any of the signs that take the place of this commodity in circulation (\$, £, etc.).

As long as each individual capital valorizes itself in immediate accordance with the specific material conditions prevailing in its sphere, so the value of capital-commodities immediately appears under its simplest form in circulation, the annual circuit of social capital results:

$$c_1 + v_1 + s_1 = C'_1$$

...

$$c_n + v_n + s_n = C'_n$$

where

$$\frac{s_1}{v_1} = \dots = \frac{s_n}{v_n}$$

but

$$\frac{c_1}{v_1} \neq \dots \neq \frac{c_n}{v_n} \quad \text{or (only to indicate the possibility)} \quad \frac{v_1 + c_1}{C_1} \neq \dots \neq \frac{v_n + c_n}{C_n}$$

so

$$\frac{s_1}{c_1 + v_1} \neq \dots \neq \frac{s_n}{c_n + v_n}$$

In the concrete cases,

- capitals with different organic compositions and the same turnover rate

	c	v	s	C'	C	c/v	$(v+c)/C$	s/v	s/C %	Q	C'/Q
<i>I</i>	10	10	10	30	20	1	1	100	50.0	10	3
<i>II</i>	20	10	10	40	30	2	1	100	33.3	10	4
<i>III</i>	30	10	10	50	40	3	1	100	25.0	10	5
<i>IV</i>	40	10	10	60	50	4	1	100	20.0	10	6
<i>V</i>	50	10	10	70	60	5	1	100	16.7	10	7
<i>Total</i>	150	50	50	250	200	3	1	100	25.0		

- capitals with different turnover rates and the same organic composition

	c	v	s	C'	C	c/v	$(v+c)/C$	s/v	s/C %	Q	C'/Q
<i>I</i>	10	10	10	30	5	1	4.00	100	200.0	10	3
<i>II</i>	10	10	10	30	10	1	2.00	100	100.0	10	3
<i>III</i>	10	10	10	30	15	1	1.33	100	66.7	10	3
<i>IV</i>	10	10	10	30	20	1	1.00	100	50.0	10	3
<i>V</i>	10	10	10	30	25	1	0.67	100	40.0	10	3
<i>Total</i>	50	50	50	150	75	1	1.33	100	66.7		

Under its simplest form, the transformation of surplus-value into average profit takes shape in the transformation of values into prices of production as a result of the annual process of capital valorization. That is, it takes shape in the transformation of commodities, from being the simple product of labor, into their concrete form of the products of capital as materializations of equally valorized values. Taken in itself as it is directly determined by the formation of the general rate of profit (p), we represent this transformation as the development of the value of the product of each sphere (C'_i), into its concrete form of price of production ($C'_i t_i$), by representing the external unity of total capital as the necessity inherent in a system of simultaneous equations. That is:

$$(c_1 + v_1)(1 + p) = C'_1 t_1$$

...

$$(c_n + v_n)(1 + p) = C'_n t_n$$

$$\frac{\sum_{i=1}^n s_i}{\sum_{i=1}^n c_i + \sum_{i=1}^n v_i} = p$$

In the concrete cases,

- capitals with different organic compositions and the same turnover rate

	c	v	s	C'	C	c/v	$(v+c)/C$	s/v	s/C %	Q	C'/Q
<i>I</i>	10	10	5.0	25.0	20	1	1	50	25	10	2.5
<i>II</i>	20	10	7.5	37.5	30	2	1	75	25	10	3.8
<i>III</i>	30	10	10.0	50.0	40	3	1	100	25	10	5.0
<i>IV</i>	40	10	12.5	62.5	50	4	1	125	25	10	6.3
<i>V</i>	50	10	15.0	75.0	60	5	1	150	25	10	7.5
<i>Total</i>	150	50	50.0	250.0	200	3	1	100	25		

- capitals with different turnover rates and the same organic composition

	c	v	s	C'	C	c/v	$(v+c)/C$	s/v	s/C %	Q	C'/Q
<i>I</i>	10	10	3.3	23	5	1	4	33.3	66.7	10	2.33
<i>II</i>	10	10	6.7	27	10	1	2	66.7	66.7	10	2.67
<i>III</i>	10	10	10.0	30	15	1	1	100.0	66.7	10	3.00
<i>IV</i>	10	10	13.3	33	20	1	1	133.3	66.7	10	3.33
<i>V</i>	10	10	16.7	37	25	1	1	166.7	66.7	10	3.67
<i>Total</i>	50	50	50.0	150	75	1	1	100.0	66.7		

Since we are now representing the quantitative concrete forms taken by the transformation, all the determinations involved (that is, the affirming of value by means of its own negation as the general social relation in present-day society) appear here as being developed through a set of external relations - rupture and unity - between the magnitude of these determination's concrete forms. In the simplest form we are considering, the development of surplus-value into average profit is immediately reflected by the quantitative relations that correspond to the transit from the organic determinations of capital's valorization to the formal relations in which this valorization takes concrete form. Thus, the general negation of materialized socially necessary abstract labor by its own expression as the concrete equivalence in exchange of capital-commodities, immediately manifests itself: individual prices of production differ from their simplest determination as values. Nevertheless, at the same time, value shows it is affirming itself through this self-negation by appearing quantitatively unchanged in its concrete form of price of production in what concerns the product of total social capital. And it does the same, concerning the specific capital that formally expresses by itself the determination of individual capitals as aliquot parts of total capital, namely, the specific capital whose organic composition and turnover rate correspond to the social average.

In this simple transformation of surplus-value into average profit, surplus-value's content of materialized surplus-labor manifests itself in a similar way. For individual capitals in general, self-valorization appears as a matter of mere proportionality. Nevertheless, the surplus-value and the ratios that correspond to the organic and formal relations of valorization of total social capital (directly as such or as it is represented by the specific average capital)

immediately show the essence of the determination at stake. They thus show that it is about the share in the total surplus-value, extracted from the labor-power by each specific capital in accordance with the conditions prevailing in its sphere of production, among these capitals as aliquot parts of the total social capital. Therefore, the exploitation of wage-labor by capital as a necessarily collective process is immediately shown, even as a purely quantitative relation. And the same happens with the fact that this transformation itself leaves the capacity of the total social capital for valorizing itself untouched.

Any change in the conditions that directly or indirectly affect a specific valorization process develops, above all, into a change in the price of production of the corresponding commodity. Nevertheless, certain changes in the circuit of productive capital do not affect the value of commodities and, consequently, neither the valorization process nor its expression in the rate of surplus-value. This happens when the change takes place in the length of the production process beyond the labor process or directly in the length of the, in the strict sense, circulating process. In these cases, the value of the respective commodity remains unchanged, but its concrete form of price of production develops a determination of its own that makes it change. Furthermore, whichever the special sphere where it happens, any change in the circuit of a productive capital necessarily affects the determination of prices of production beyond that specific sphere. It necessarily comes into the determination of the average rate of profit and, consequently, of the prices of production in general, in three ways. In the first place, it changes the amount of society's total advanced capital keeping the total amount of surplus value unchanged, it changes the latter keeping the former unchanged, or it results in a combination of both effects. In the second place, if the amount of the capital advanced in the specific sphere changes, its proportion as an aliquot part of total capital does the same. In the third place, if the capital released (tied-up) in the directly affected sphere of production does not proportionally come from (go to) all of the spheres, a second change in the general distribution of total capital among the different spheres takes place. From all this, a change in the average organic composition of capital takes place. And this change, that is completely alien to what happens with the productivity of labor, changes in turn the amount of surplus-value that total social capital renders in a year, even though its own amount remains unchanged. Let us assume in our example that the time of circulation of capital V changes, doubling its turnover rate, and that the corresponding released capital becomes again tied-up to this sphere, making its production to double. We thus have:

- change in values

	c	v	s	C'	C	c/v	$(v+c)/C$	s/v	s/C %	Q	C'/Q
<i>I</i>	10	10	10	30	20	1	1.0	100	50	10	3
<i>II</i>	20	10	10	40	30	2	1.0	100	33	10	4
<i>III</i>	30	10	10	50	40	3	1.0	100	25	10	5
<i>IV</i>	40	10	10	60	50	4	1.0	100	20	10	6
<i>V</i>	100	20	20	140	60	5	2.0	100	33	20	7
<i>Total</i>	200	60	60	320	200	3	1.3	100	30		

- change in prices of production

	c	v	s	C'	C	c/v	$(v+c)/C$	s/v	s/C %	Q	C'/Q
<i>I</i>	10	10	6	26	20	1	1	60	30	10	2.6
<i>II</i>	20	10	9	39	30	2	1	95	30	10	3.9
<i>III</i>	30	10	12	52	40	3	1	120	30	10	5.2
<i>IV</i>	40	10	15	65	50	4	1	150	30	10	6.5
<i>V</i>	100	20	18	138	60	5	2	90	30	20	6.9
<i>T</i>	200	60	60	320	200	3	1.3	100	30		

The general rate of surplus-value can only change if the length of the working-day (and therefore, the absolute surplus-value) changes, or if the value of labor-power (and therefore, the relative surplus-value) changes. A change in absolute surplus-value directly concerns social capital as such, with the capitals of each sphere acting as the mere specific vehicle of the generic necessity. On the contrary, a change in relative surplus-value emerges from the change of the productive power of labor in each specific sphere. But it emerges only from such change in the spheres that, directly or indirectly, produce the means of subsistence for the productive wage-laborers. The corresponding change in the spheres that directly or indirectly provide for the individual consumption of the capitalists lacks any power to change the general rate of surplus-value. Nevertheless, as soon as a change in the productivity of labor affects the allocation of the advanced capital between the different special spheres in a non-proportional way, it affects all the prices of production, whichever the sphere the change takes place. Moreover, the transformation of values into prices of production comes into the determination of the general rate of surplus-value itself, as it determines the magnitude of each social necessity and, therefore, the proportion of total capital advanced in each special sphere (nevertheless, we are going to focus on this determination later).

Abstractly considered in itself, a change in the value of labor-power (remaining the rest of its determinations untouched) does not affect the labor-time needed to produce the commodities in general, and therefore, their values. It only implies an increase or decrease in the productivity of labor and, therefore, in the organic composition of capital, in some of the specific spheres that produce the labor-power. Since this change affects the general rate of surplus-value and, consequently, the average rate of profit, it affects the price of production of all commodities. Still, at the same time, it manifests itself as a change in the value composition of the capitals of all spheres. This latter change does not arise from a change in the technical composition of the capitals where it takes place and, therefore, it is not a change in the organic composition of these capitals. Nevertheless, with the mediation of the difference in the organic composition of the individual capitals, this change in their value composition changes the proportion that each of them represents as an aliquot part of the total social capital in a specific way. Those with an organic composition beneath the average get their share changed in a direct relation with the change in the value of labor-power; those with an organic composition above the average, get their share changed in an inverse relation. Only those with the average organic composition keep their share unchanged. Thus, the prices of production of those commodities produced by capitals with an organic composition beneath the average will rise (fall) as a rise (fall) in wages relatively rises (lowers) the value of these capitals. Conversely, the prices of production of those commodities produced by capitals with an organic composition above the average will fall (rise) as a rise (fall) in wages relatively lowers (raises) the value of these capitals. And the prices of production of those commodities

produced by capitals with the average organic composition will remain unchanged in either case. A 50% rise in wages in our example will result in:

- change in values

	c	v	s	C'	C	c/v	$(v+c)/C$	s/v	s/C %	Q	C'/Q
<i>I</i>	10	15	5	30	25	1	1	33.3	20.0	10	3
<i>II</i>	20	15	5	40	35	2	1	33.3	14.3	10	4
<i>III</i>	30	15	5	50	45	3	1	33.3	11.1	10	5
<i>IV</i>	40	15	5	60	55	4	1	33.3	9.1	10	6
<i>V</i>	50	15	5	70	65	5	1	33.3	7.7	10	7
<i>Total</i>	150	75	25	250	225	3	1	33.3	11.1		

- change in prices of production

	c	v	s	C'	C	c/v	$(v+c)/C$	s/v	s/C %	Q	C'/Q
<i>I</i>	10	15	3	28	25	1	1.0	50	11.1	10	2.78
<i>II</i>	20	15	4	39	35	2	1.0	75	11.1	10	3.89
<i>III</i>	30	15	5	50	45	3	1.0	100	11.1	10	5.00
<i>IV</i>	40	15	6	61	55	4	1.0	125	11.1	10	6.11
<i>V</i>	50	15	7	72	65	5	1.0	150	11.1	10	7.22
<i>Total</i>	150	75	25	250	225	3	1.0	100	11.1		

Thus far, we have followed the process in which surplus-value negates itself as simply such to affirm itself under its concrete form of average profit - and, therefore, the process in which the value of commodities develops its corresponding metamorphosis into price of production - as capital determines itself as an amount of value that proportionally valorizes itself on an annual basis. This is only just the first step in the transformation of commodities from being the immediate product of labor, to become the specific product of capital. Nevertheless, it suffices to make the concrete forms that value and surplus-value take for each specific capital appear as their absolute and, therefore, abstract negations, as soon as these concrete forms are immediately - therefore, externally - faced through their relations of measure. Even so, at this stage, profit and prices of production immediately show they are the concrete forms of surplus-value and value as they appear in the relations of measure that concern total social capital as such, or as this capital is represented by average specific capital.

Capital-commodities as equally valorized values that equally valorize themselves

With the reproduction of the circuit of capital valorization, capital transcends its determination as an amount of value that proportionally valorizes itself to become proportionally valorized value that proportionally valorizes itself. It is no longer just about unfolding the concrete forms that the transformation of values into prices of production takes

as capital emerges from its circuit of valorization at them. It is about this unfolding when the value of capital has already undergone such transformation as a premise of its circuit of valorization.

In the first place, we must face the specific determinations of prices of production that emerge from the reappearance, in these prices, of the price of production of the constant capital productively consumed. The transformation of the value of the means of production into their price of production does not add to this reappearance any specificity other than the quantitative difference between those values and prices itself. At the same time, the difference between the value and the price of production of constant capital affects the amount of capital that must be advanced to perform the annual process of valorization. Therefore, it affects the proportion that the capital advanced in each specific sphere represents as an aliquot part of the total social capital.

At first sight it could appear that a certain net difference in the price of production of the means of production should result in differences in the cost price of production and in the advanced capital - and consequently in the price of production - of the commodities produced, having the same sign. Nevertheless, the general relation between the capital annually consumed and the capital advanced for this consumption - that is, the turnover rate of the former - mediates here. Only when the advanced capital completes a single turnover circuit during the year (and, therefore, has an unitary turnover rate) the difference between its value and its price of production appears identical to itself in the cost price of production. A turnover rate above the unit implies that the divergence in the advanced capital will appear multiplied in the cost price of production; thus, until a vanishing divergence in the former becomes infinitely multiplied in the latter, when capital instantaneously completes its circuit. Conversely, a turnover rate beneath the unit makes the divergence in the advanced capital appear as a diminished one in the cost price of production; thus, until the latter divergence vanishes away as the turnover rate approximates zero. The net differences in the advanced capital and in the cost price of production result from the algebraic summing up of the differences produced by each portion of constant capital. From which, net differences in the same direction but of divergent magnitude, or diverging both in direction and magnitude, between the value and the price of production of the advanced and consumed capital may result. Let us assume the following constant capital:

means of production	advanced capital		turnover rate	consumed capital	
	value	price of production		value	price of production
<i>a</i>	100	140	0.1	10	14
<i>b</i>	100	85	1.0	100	85
total	200	225		110	99

While the price of production of the advanced capital increases a 12.5% above its value, the cost price of production of the commodity produced by consuming it falls a 10% beneath its cost value.

As far as variable capital is concerned, the difference between the value and the price of production of the means of subsistence for the productive wage-laborers affects the amount of capital that must be advanced in wages to perform the annual process of valorization. Consequently, this difference affects the proportion that the capital advanced in each specific sphere represents as an aliquot part of the total social capital. Whether advanced capital

indirectly takes the material form of those means of subsistence or directly the material form of means of production, it behaves exactly in the same way concerning the share of each specific capital in total capital. Therefore, we will consider it in this unity to develop the concrete forms that this determination takes.

If in a specific sphere the price of production of the advanced capital is higher (lower) than its value, this capital increases (diminishes) its share as an aliquot part of social capital. Still, this simple determination undergoes a specific mediation. Those positive or negative differences are proportional to the relation between the organic composition of each capital that has produced the commodities that are going to come into action now as means of production, and the average organic composition in the circuit these commodities were produced. The proportionality in question only applies with respect to the total product of that circuit. Therefore, the proportion in which the price of production of a commodity differs from its value will immediately reappear as the proportion in which the new capital materialized in it sees its own share as an aliquot part of the total capital increased or decreased, only if the total product of the previous circuit becomes capital in the new one. Given the consumption of the capitalists, this is not the case. The proportion in which a price of production represents a higher (lower) part of the total valorized value normally differs from the proportion in which this same price represents a higher (lower) part of the value of the total capital that opens the following circuit. The latter proportion is mediated by the relation between the organic composition of the specific capital that has produced each commodity that is going to become new productive capital and the average organic composition of the capitals that have produced the rest of the commodities that are to follow this same course. Thus, a price of production above (below) the respective value, as it results from a capital with a higher (lower) organic composition than the corresponding social average, can finally result in a reduced (increased) share in the total social capital for the next circuit. An average organic composition of the capitals that produced this new total capital high (low) enough with respect to the organic composition of the specific capital in question so as to overcome the original divergence, is all this inversion requires. For instance, let us assume a capital that, according to its value, represents the 10% of the total capital, and whose price of production is 5% higher than its value. Let us also assume that the price of production of this total capital is 20% higher than its value and that this value has represented the 60% of the total product in the circuit it was produced. Let us finally assume that the remaining 40% of that total product corresponds to the surplus-value individually consumed by the capitalists, whose price of production is 30% lower than its value. Under these conditions, the specific capital in question will not have a 10% increased share in total capital, but a 12.5% diminished one.

At first, prices of production simply diverge from values because the organic composition of the capital in each special sphere diverges from the social average. Now, this original divergence may result increased, diminished or even inverted in its direction, as soon as the same determination projects itself from one turnover of capital to the next. For instance, a *ceteris paribus* rise (fall) in wages may end up manifesting itself as a fall (rise) in the price of production of a commodity produced by a capital with an organic composition beneath (above) the average, as the direct effect can be indirectly counteracted. It does not suffice any longer with an organic composition equal to the average for a special capital to produce a commodity whose value appears as a magnitude identical to itself under its concrete form of price of production. This primary condition extends to the whole of the capitals that indirectly (that is, by producing in previous circuits the material elements that now act as capital, and so on backwards) participate in the production of the commodity in question. Yet, this condition thus not suffice by itself to keep a value unchanged through its transformation. The capitals that produce the material forms that are going to act as capital in the next circuit must have, as

an average, the average organic composition. The necessary simultaneous fulfilling all these conditions, means the practical impossibility - excluding an accidental compensation - of a commodity whose value would appear as an untouched magnitude when transformed into a price of production, as soon as capital opens its circuit already as valorized value.

We have thus followed the determinations of the prices of production that emerge from the circulation of capital-commodities at these prices as a premise for the circuit of capital's valorization. Let us focus now on the new value created in this circuit. The first part of this value corresponds to the labor needed by the productive-laborers to reproduce their labor-power, so as to make it available for the next circuit. Let us abstract here from any change in the magnitude of each social necessity due to the change in prices itself, that will come in only when we face the concrete form that the transformation takes through competition. Under this condition, the productivity and intensity of labor and the length of the working day are, in themselves, alien to the circulation of commodities directly at their value or at the concrete form this value takes as price of production. Therefore, from a purely material point of view, the amount of labor needed to reproduce each unit and the social totality of labor-power remains intact. The same happens with the specific social form this labor takes in commodity production, as the socially necessary abstract labor materialized in its product that is represented as the capacity of this product for relating with the rest of the commodities as equivalents in exchange. Still, it happens now that this product has its concrete social equivalence determined as the product of an equally valorized value. The price of production of the means of subsistence needed to reproduce the labor-power consumed in each special sphere determines the concrete form that the corresponding part of the value of the commodities produced in that sphere takes as their price of production. When, *ceteris paribus*, the productivity of the labor that directly or indirectly produces the means of subsistence for the labor-power rises (falls), the value of these means falls (rises), with its corresponding manifestation in their price of production. With that change in productivity, a smaller (bigger) portion of the living labor performed in each sphere is needed to reproduce the labor-power consumed in it. The remaining (additional) part of the value created by this labor will change the form in which it is transformed into a price of production, as it ceases to be (becomes) a materialization of necessary-labor to become (cease to be) a materialization of surplus-labor.

The second part of the new value created in each circuit corresponds to the product of the surplus-labor rendered by the productive-laborers, that the capitalists appropriate for free as surplus-value. We have already seen how the surplus-value materialized in capital-commodities develops its concrete form of average profit when these commodities are determined as equivalent materializations of proportionally valorized values. At that stage of its development, the average profit materialized in the product of each specific capital was determined as this capital's share in the mass of the social total surplus-value - to which it contributes according to its organic composition and turnover rate of its variable part - as corresponds to it as an aliquot part of total capital. Therefore, the average profit was determined as an immediate mass of value itself. Nevertheless, as soon as we have advanced into capital's concrete form of equally valorized value that equally valorizes itself, not a single portion of value can immediately appear as such, but under its concrete form of price of production. Not even the organic composition of capital, or its turnover rate, go on directly appearing here as the immediate determinants that make capitals differ in their capacity for valorizing themselves. Therefore, this average profit must reach its concrete form now through prices of production themselves. Nevertheless (as what directly happens with the values of simple commodities) these prices of production and, thus, their part determined as average profit, have already reached their complete determination for the individual capital-commodities when these commodities come into circulation. Externally seen, as they are the representations of the common social substance that actually enables capital-commodities to

relate as equivalents in exchange, their full determination precedes exchange itself, thus being a condition for circulation and never its result. Circulation only turns this determination socially visible.

Individual capitals lack the capacity for directly determining themselves by themselves as concrete forms of social capital. They cannot realize the general rate of profit, that is their true determinant as aliquot parts of total capital, directly as such. On the contrary, this rate can only manifest itself once it has been realized through the prices of production it determines. It thus necessarily appears inverted as a purely formal relation between the average profit appropriated by each capital and this one's advanced amount. Individual capitals can only realize their determination as concrete forms of social capital when they relate with each other - and therefore, socially relate the capitalists that personify them as the holders of the proportional part of the social product in which the surplus-labor has been materialized - by exchanging their products, that is, through competition. And only in this way they can realize total social capital's necessity as the concrete subject of the social metabolism process; that is, its necessity to reproduce itself, to reproduce its circuit of valorization.

When all individual capitals get together in competition, surplus-labor presents itself in a twofold materialization, from total social capital's point of view. It is materialized in the corresponding part of the commodities produced by each individual capital. But, at the same time, it is materialized in the whole product of the capitals that produce the commodities for the individual consumption of the capitalists and their cohort of parasites, plus the whole product of the capitals that produce the material forms that will enter the next circuit as additional capital. Always from total capital's point of view, surplus-value completes its

realization starting from the former materialization, $C' < \frac{M}{m}$, in the same act that it does so

starting from the latter one, $m - C(m)$. Only when all the capital-commodities that attempt to come into circulation are exchanged there at their prices of production as equivalent materializations of equally valorized value that has been equally valorized, these two portions of total social product can come together with their social form determined as average profit. As long as this does not happen, the part of the total social labor whose product is sold under its price of production, or that cannot be sold at all, will show it has been allocated into its concrete forms in a socially useless way. On the contrary, those capital-commodities sold at market-prices above their prices of production will make evident that society needs to allocate a higher part of its total labor-power into the respective concrete forms. Therefore (and as it is proper of any concrete form of the autonomous system through which the social metabolism process regulates itself), average profit necessarily appears in its realization as a process of equilibrium that has the perpetual lack of equilibrium as its necessary concrete form. From a purely formal point of view, surplus-value will appear under its fully developed concrete form of average profit, as the sum of the prices of production of the commodities produced by the specific capitals that close their circuits through $m - C(m)$.

We have reached again the price of production of capital as a result of its process of self-valorization. A certain social capital - which is itself the materialization of the social labor consumed to produce it - is able to place into action in a year a certain amount of labor-power able to work with a certain productivity and intensity over a working day of a certain length. The living labor thus performed renders a certain value product, while it preserves the value of the means of production it consumes in the working process. The total value of the product that comes into circulation becomes thus determined. Neither more nor less social labor can fit in exchange than the materialized in the commodities that are thrown into circulation together. Therefore, when a commodity is exchanged at its price of production as the concrete equivalent of other that embodies more social labor than it does, the latter is exchanged as the

concrete equivalent of less materialized social labor in the same proportion. The quantitative differences between the values and the prices of production tend to mutually eliminate themselves inside the total social capital that emerges from the annual process of valorization. This simple quantitative determination immediately shows as such when capital-commodities are determined as equally valorized values. Nevertheless, by now, it has gone through the development of capital-commodities into their concrete form of equally valorized values that have been equally valorized. The simple determination remains immediately effective as far as the new value created itself is concerned. In turn, the differences that emerge from the proportion that each specific capital represents with respect to the total social capital advanced for the annual production necessarily balance one another, given their own relative nature. This is not the case with the projection of the divergence between the value and its concrete form of price of production for the capital materialized in the means of production that turns over as fixed capital. The immediate counterpart of this divergence concerns the complete amount of a fixed capital, that is, its amount as advanced capital, but not the partial reappearance of this capital in the value of its product, as it is gradually consumed each year. Nevertheless, the magnitude and the direction the differences in question may present keep no specific relationship whatsoever with the turnover rate of fixed capital in each sphere. Consequently, these differences tend to balance each other inside society's total fixed capital. Circulating constant capital has no role to play here, as the value of its elements completely reappears in each of its turnover circuits, thus entering the general compensation in an immediate way. In brief, the value of the total social product goes on appearing as an unchanged magnitude under its developed concrete form of the price of production of the social capital that annually emerges from its process of valorization.

None of the necessary compensations in question inheres in the specific portions of total social capital determined as constant capital, variable capital and average profit. Therefore, their prices of production appear as magnitudes that differ from their value content. Each of these specific parts will have its magnitude relatively changed according to the respective organic composition and turnover rate of the capitals that directly and indirectly produce it, as these determinants impose themselves through the more developed mediations we have already seen. Of course, these organic compositions and turnover rates differ in their relative magnitudes for every time and place according to the prevailing concrete material conditions of production and circulation. Still, a general relation makes its way through these circumstantial conditions. Let us briefly face it here.

However inverted as an alienated potency, capitalist production is a historically determined specific social form through which humanity produces its life. And human life is a social process that has no concrete form of realizing its necessity other than individual life. By following a more or less convoluted path where their material forms suffer successive changes, all capitals reach individual consumption. In other words, all the capitals that produce means of production indirectly take part in the production of the means of subsistence for the wage-laborers or of the commodities that the capitalists individually consume. In fact, the social division of labor acquires its capitalist specificity as the chains of successive material production processes are cut off by the circuits of different individual capitals. What basically matters here, is the relative course followed by the organic composition and turnover rate of capital when the production processes in general enter what the fragmentation of individual capitals determines as their last step (that is, when the commodity produced ceases to be a means for a subsequent material production to become a means for individual consumption). Do they develop any necessary specificity with respect to their magnitudes in the average of the capitals that have preceded this step?

The capitals that directly produce the means of subsistence for the wage-laborers include both extremes in the scale of the organic composition. It includes automated productions in

the greatest massive scale, but also productions that can only be performed in the very moment and place where individual consumption occurs. Depending on the degree of capital's fragmentation and of the material complexity required to transform the same means of production into a means of individual consumption, the capitals that produce the latter can include or exclude some with a specifically low turnover rate. This typically concerns agricultural production, where production-time extends far beyond working-time, due to the submission of productivity to natural conditions beyond the control of normal capitals. All in all, there is no determination that forces a specific bias into the price of production of variable capital with respect to its simple determination as value, vis-à-vis what happens concerning the constant capital that directly or indirectly takes part in the production of the labor-power.

Let us consider now the capitals that directly and indirectly produce the means for the individual consumption of the capitalists. In general, as this production advances through its successive steps, its material form tends to become increasingly differentiated from that which corresponds to the production of the means of subsistence for the wage-laborers. The scale in which those steps are performed experiments a progressive fall compared with the scale that the former production takes. At the same time, the social nature itself of the necessities these use-values satisfy determines a high relative use of living labor in their production, which also increases as the production process advances. Both determinations reach their peak in the last step of this process, which directly produces the means of individual consumption for the capitalists. And both of them result in a relatively low organic composition of the capitals involved in this production. Since some of the capitals that produce means of production are thus determined, the price of production of constant capital is affected in the corresponding proportion. Still, this relatively low organic composition only turns into a specific determination of the price of production of the specific portions of total social capital as it determines the prices of production of the articles of luxury that the capitalists individually consume. It relatively lowers the magnitude with which the surplus-value appears as average profit, and consequently pushes up the prices of production of constant and variable capital. Nevertheless, not all the surplus-value follows the ignoble destiny of becoming an article of luxury for the capitalists and their confederates to consume. Since the process of valorization only realizes its essential necessity as a process of accumulation, a part of the surplus-value has its material forms determined as the new means of production and means of subsistence needed to reproduce itself in an expanded scale. The production of these material forms does not differ in any meaningful specific way from the production of the means of production and means of subsistence for the productive-laborers already in action, in what concerns here. Therefore, the same happens with respect to the organic composition and turnover rate of the variable part of the capitals that produce them. The same general determinations mediate in the prices of production of the constant and variable capitals and in the part at stake of the surplus-value as average profit. The specific determination initially developed becomes smoothed.

As soon as the value contained in each specific part of the total social capital takes its concrete form of price of production as a different magnitude of equally valorized value that has been equally valorized, the quantitative relations among them will no longer reflect in an unequivocal way the organic determinations of capital's valorization. Moreover, although there is nothing at stake here apart from the development of these organic determinations into formal ones, the quantitative relations in question will not even reflect in an unequivocal way the simplest forms of these formal determinations. At best, the organic relation between variable capital and constant capital could be properly reflected by its average in time. But any relation that places together the simple forms of capital and surplus-value unavoidably becomes distorted when it is expressed through their concrete forms. The real power of capital to valorize itself, and therefore, the power to exploit the productive wage-laborers by making

them render surplus-labor, appears underestimated. This happens with the rate of surplus-value, but also with the general rate of profit. Nevertheless, this is not just a distortion in the manifestation of the simple relation. The general rate of profit itself, (p), has reached here a more developed concrete form as the formal expression of capital's power to valorize itself when it opens its circuit already determined as an equally valorized value. Under this concrete form, (p^c), the general rate of profit does not appear as the determinant that rules the formal equalization of capitals any longer. It appears with this simplest determination inverted, that is, as the expression of the realized necessity of this equalization. And as such it goes on appearing as it develops its even more concrete form when the surplus-value materialized in the expenses of circulation becomes formally determined as advanced capital (but this development falls beyond the determination of the prices of production themselves). From which, the agents of capital who personify that realization see the general rate of profit as having no content other than its emergence itself.

Only if all the surplus-value produced in a turnover circuit becomes new capital in the next - which presupposes the annihilation of individual capitalists - the concrete general rate of profit can immediately tend to quantitatively coincide with its simple expression. In this case, both the price of production of the social capital and of the surplus-value are determined through the mediation of capitals with the same average organic composition and the same turnover rate. Let us consider a final relevant point concerning the distorted manifestation of the simple relations of valorization through their apparent concrete forms as relations between the completely developed prices of production. As capital accumulation develops, an increasing part of total surplus-value is transformed into new capital at the expense of the part individually consumed by the capitalists. *Ceteris paribus*, the organic composition of social capital rises. Since this rise does not proceed from an increased productivity of labor, it tends to produce a fall in the rate of surplus-value. Nevertheless, this rate could appear as following the opposite direction when it is improperly computed on the basis of the completely developed prices of production. This happens as soon as its real fall is apparently overturned by the relative increase in the price of production of average profit and the opposite movement concerning variable capital, as the organic compositions of the capitals that produce each of them tend to converge. The same inverted appearance will emerge under these circumstances respecting the general rate of profit. This is not one of those causes that genuinely counteract the tendency of the rate of profit to fall with the development of capital accumulation. It is just a purely apparent effect on the power of capital to valorize itself, as it becomes expressed in the concrete form the annual rate of profit takes.

As we have already seen, although the general rate of profit actually determines the complete development of values into prices of production through its formation, its correspondingly developed concrete form has its magnitude determined as a result emerging from that transformation itself. Therefore, it cannot be placed at this stage in the model we use to represent the quantitative determinations at stake, as the direct determinant of the external unity of total social capital. It only fits there as being itself quantitatively determined by the very realization of this unity. The external unity of total capital can only manifest itself now through the necessary quantitative identity that the value of the total annual product maintains all along its development into price of production. Besides, capital becomes now an incarnation of equal valorization not only as a result, but also as a premise of its circuits. The transformation of its value into price of production does not only take place inside each annual turnover circuit but projects itself from one circuit to the next in the reproduction of the valorization process. Therefore, we need to identify the spheres according to the type of use-value they produce. Let us consider that, in the general case, the spheres 1, ..., l produce means of production, the spheres $(l + 1)$, ..., m , means of subsistence for the productive wage-

laborers and the spheres $(m+1), \dots, n$, commodities for the individual consumption of the capitalists.

Obviously, any change in values inside a circuit or from one circuit to the next is out of the question concerning their development itself into prices of production. Consequently, we will only indicate the circuit k that corresponds in each case, provided this identification is meaningful in itself. As we have already seen, prices of production are alien to the scale in which capital's reproduction takes place, provided this reproduction preserves the proportion each specific capital represents in the total. Since this simplest determination corresponds at this stage of our representation, we can either consider simple or expanded reproduction. Still, the reproduction of capital's valorization only fits into a single-year model on the basis of its simple form (as it happens whichever question related with this reproduction one faces). Under these conditions, the annual circuit of social capital as a simple process of production of value appears as:

$$\begin{aligned}
c_{11} + \dots + c_{1l} + v_{1(l+1)} + \dots + v_{1m} + s_1 &= C'_1 \\
\dots & \\
c_{l1} + \dots + c_{ll} + v_{l(l+1)} + \dots + v_{lm} + s_l &= C'_l \\
c_{(l+1)1} + \dots + c_{(l+1)l} + v_{(l+1)(l+1)} + \dots + v_{(l+1)m} + s_{(l+1)} &= C'_{(l+1)} \\
\dots & \\
c_{m1} + \dots + c_{ml} + v_{m(l+1)} + \dots + v_{mm} + s_m &= C'_m \\
c_{(m+1)1} + \dots + c_{(m+1)l} + v_{(m+1)(l+1)} + \dots + v_{(m+1)m} + s_{(m+1)} &= C'_{(m+1)} \\
\dots & \\
c_{n1} + \dots + c_{nl} + v_{n(l+1)} + \dots + v_{nm} + s_n &= C'_n
\end{aligned}$$

where,

$$\sum_{i=1}^n c_{ij} = C'_j \quad \text{for } j = 1, \dots, l; \quad \sum_{i=1}^n v_{ij} = C'_j \quad \text{for } j = (l+1), \dots, m; \quad \sum_{i=1}^n s_i = \sum_{i=(m+1)}^n C'_i$$

and

$$\frac{s_1}{\sum_{i=(l+1)}^m v_{1i}} = \dots = \frac{s_n}{\sum_{i=(l+1)}^m v_{ni}}$$

but

$$\frac{\sum_{i=1}^l c_{1i}}{m} \neq \dots \neq \frac{\sum_{i=1}^l c_{ni}}{m} \quad \text{or} \quad (\text{only to indicate the possibility})$$

$$\frac{\sum_{i=(l+1)}^l v_{1i}}{\sum_{i=(l+1)}^m v_{ni}} \neq \dots \neq \frac{\sum_{i=1}^l c_{ni} + \sum_{i=(l+1)}^m v_{ni}}{C_n}$$

so

$$\frac{\sum_{i=1}^l c_{1i} + \sum_{i=(l+1)}^m v_{1i}}{S_1} \neq \dots \neq \frac{\sum_{i=1}^l c_{ni} + \sum_{i=(l+1)}^m v_{ni}}{S_n}$$

When capital realizes its necessity as equally valorized value that equally valorizes itself, these values develop their simplest concrete form of prices of production, $c_{ij} t_j^c, v_{ij} t_j^c, C_i t_i^c$, as:

$$\begin{aligned} & \left(c_{11} t_1^c + \dots + c_{1l} t_l^c + v_{1(l+1)} t_{(l+1)}^c + \dots + v_{1m} t_m^c \right) + p = C'_1 t_1^c \\ & \dots \\ & \left(c_{l1} t_1^c + \dots + c_{ll} t_l^c + v_{l(l+1)} t_{(l+1)}^c + \dots + v_{lm} t_m^c \right) + p = C'_l t_l^c \\ & \left(c_{(l+1)1} t_1^c + \dots + c_{(l+1)l} t_l^c + v_{(l+1)(l+1)} t_{(l+1)}^c + \dots + v_{(l+1)m} t_m^c \right) + p = C'_{(l+1)} t_{(l+1)}^c \\ & \dots \\ & \left(c_{m1} t_1^c + \dots + c_{ml} t_l^c + v_{m(l+1)} t_{(l+1)}^c + \dots + v_{mm} t_m^c \right) + p = C'_m t_m^c \\ & \left(c_{(m+1)1} t_1^c + \dots + c_{(m+1)l} t_l^c + v_{(m+1)(l+1)} t_{(l+1)}^c + \dots + v_{(m+1)m} t_m^c \right) + p = C'_{(m+1)} t_{(m+1)}^c \\ & \dots \\ & \left(c_{n1} t_1^c + \dots + c_{nl} t_l^c + v_{n(l+1)} t_{(l+1)}^c + \dots + v_{nm} t_m^c \right) + p = C'_n t_n^c \\ & \sum_{i=1}^n C'_i = \sum_{i=1}^n C'_i t_i^c \end{aligned}$$

At first sight, it may appear that not only the complete realization of the transformation, but the quantitative progress itself through which this transformation tends to be realized, could be represented by giving the model a multiyear basis. This is not the case. In such sort of model, each portion of capital would appear as immediately determining the prices of production in circuit k according to the price of production with which it emerges from $(k-1)$ (i.e. $c_{ij} t_{j(k-1)}^c$ or $v_{ij} t_{j(k-1)}^c$) though its price of production changes inside k (i.e. $c_{ij} t_{j(k)}^c \neq c_{ij} t_{j(k-1)}^c$ and $v_{ij} t_{j(k)}^c \neq v_{ij} t_{j(k-1)}^c$). Nevertheless, none of the specific

portions of capital actually determines the price of production of the product in the way assumed here. The price of production of the means of production consumed during each circuit reappears in the price of production of the product through a specific mediation. As soon as the replacement of a means of production occurs at a modified price of production, this new price tends to replace the original one in the cost price of the production in course. Since the movements in the prices of production that take place inside each circuit fall beyond the reach of the representation we are dealing with, this tendency enters the representation as

being directly realized. That is, $C'_i t^c_{i(k)}$ is determined by $\sum_{j=1}^l c_{ij} t^c_{j(k)}$ and not by

$\sum_{j=1}^l c_{ij} t^c_{j(k-1)}$. In turn, the price of production that corresponds to the new value created

during the necessary labor-time is determined by the price of production at which the means of subsistence the productive-laborers need to reproduce their labor-power emerge from that same circuit. There is no conservation of an existing value here, but the production of a

completely new one. That is, $C'_i t^c_{i(k)}$ is determined by $\sum_{j=l+1}^m v_{ij} t^c_{j(k)}$, while

$\sum_{j=l+1}^m v_{ij} t^c_{j(k-1)}$ plays no role whatsoever in its determination. Not even concerning

advanced capital can the original price of production claim for a place if it changes during a circuit. The capital tied-up or released as this change takes place enters or leaves the determination of the annual rate of profit in that same circuit. Therefore, $C'_i t^c_{i(k)}$ is

determined by $\left(\sum_{j=1}^l c_{ij} t^c_{j(k)} + \sum_{j=l+1}^m v_{ij} t^c_{j(k)} \right) p^c_{(k)}$ but not by

$\left(\sum_{j=1}^l c_{ij} t^c_{j(k-1)} + \sum_{j=l+1}^m v_{ij} t^c_{j(k-1)} \right) p^c_{(k)}$.

Of course, such a meaningless model can always be constructed. And it would obviously render a set of dependent variables, as it is a determined system of simultaneous equations. Still, it will even show its emptiness in the self-incoherence of its results. Let us see why. The first step that value gives into its concrete form of price of production can be represented abstracted even from capital's necessity to reproduce its self-valorization since it involves a qualitative change that defines the object itself of this representation. Capital opens here its circuit as an accumulation of simple commodities, and therefore, of values, but emerges from it determined as a social totality fragmented into aliquot parts. Therefore, capital closes its circuit with commodities not only formally, but specifically, determined as their product, capital-commodities that enter circulation at their prices of production. On the contrary, we are now facing a stage in this transformation that does not introduce any qualitative difference other than the effect of the reproduction of the valorization process itself. Even the transformation of capital-commodities from materializations of equally valorized values to materializations of equally valorized values that have equally valorized themselves does not go beyond this reach. It is all about the progress towards the complete realization of the equalization of the rates of profit along the reproduction of capital's circuits. Consequently, the proper representation of this equalization presupposes now that the relations that

correspond to the reproduction of capital's circuits are strictly fulfilled in the transit from one circuit to the next. The inclusion of any variable in the model according to its determination in a previous circuit when it has quantitatively changed in the current one will not impede capitals to appear with their valorization completely realized at the common rate of profit. But, at the same time, the total price of production of the two separated materialization under which profit enters circulation will disagree in their amount. The complete realization of all commodities at their prices of production will be in the same act the very negation of this realization. It is self-contradictory to assume that the equalization of profits has been completely achieved in one circuit, just to go on assuming that, *ceteris paribus*, the prices of production will change during the next one. Even though these "prices of production" produced by the model may asymptotically converge, thus appearing the opening one equal to the closing one, the model always fails its specific aim. It happens that the quantitative progress itself through which the transformation of values into prices of production tends to realize itself cannot be represented abstracted from the concrete forms it takes through competition. Hence, at the stage of its development we are considering here, the determination of prices of production can only be represented on a multiyear basis as the formal repetition of the single-year model. The only difference that can be introduced this way is the expanded reproduction of capital's valorization. And this expansion is completely alien to the determination itself of prices of production, provided it does not change the proportion that corresponds to each specific capital in total capital (which is a condition that any model that attempts to represent the determination of prices of production isolated from the concrete forms it takes in competition must satisfy). Let us return to our true subject.

Contrary to what happens when the transformation of values into prices of production is considered under its simplest form, none of the determinations that entered that transformation are immediately visible through the quantitative relations between their concrete forms. Therefore, no numerical example would add clarity to the point, beyond the cognition of the numerical results themselves. This cognition exceeds our specific necessity here.

The transformation of money into a product of capital

Since the price of production of a commodity is the concrete form of its value, it can only express itself as a certain amount of another commodity's use-value. Still, capital-commodities do not need to start by detaching one of them to turn it into their general equivalent, and therefore, into the immediately social product. On the contrary, capital-commodities presuppose money, as capital itself is but its necessary development. Still, the commodity determined as money, gold, can no longer act as the general equivalent of capital-commodities as the simple substantive form of social labor. It can act as this equivalent only insofar as it is itself the product of a capital that enters the formation of the general rate of profit as any other aliquot part of social capital. Gold becomes the incarnation of the immediate exchangeability as the substantive capacity of capital for valorizing itself on an equal basis. Thus, the antithetical determinations of the general equivalent - that make an use-value the expression of value and the concrete private labor that produces it the expression of abstract social labor - develop their concrete capitalist form. In it, the material product of a private concrete capital becomes the necessary expression of capital's valorization as a directly general social process.

Prices are in themselves the expression of exchange-value in money. Nevertheless, thus far we have abstracted from the mediation of the transformation of money-commodity itself into a product of capital in the quantitative determination of the prices of production. A "price of

production” of the money-commodity is a contradiction in terms. Nevertheless, albeit gold is unable to express its value under the form of a price of production, its concrete capacity to express the value of the rest of commodities by functioning as their general equivalent is affected by its concrete determination as the product of capital. Depending on the relative organic composition and turnover rate the capitals that directly or indirectly produce the money-commodity have, and through the mediations that from here follow, its value could develop into a higher or lower exchangeability. Insofar as gold is used in some concrete production processes just as another means of production, this divergence will be reflected in the development of prices of production as any other. Still, this is not what really matters concerning the divergence in question. All capital-commodities express their prices of production in quantities of gold. Of course, an ounce of gold remains an ounce of gold whether commodities simply express in it their value or express this value under its concrete form of price of production. The same happens concerning a mass of gold produced during the year by a given quantity of living labor using a given quantity of dead labor. However, the divergence of the organic composition and turnover rate of the capitals that produce gold from the social averages suffices by itself to make all the relative manifestations of exchangeability in the same amount of gold to change. The simple divergence of the prices of production of all the ordinary capital-commodities from their values, and therefore these prices of production themselves, develop their concrete determination through the mediation of the aforementioned divergence concerning gold. The former divergences now manifest themselves insofar as their sources diverge with respect to the latter.

When the organic composition and turnover rate of the capitals that produce a certain commodity differ from the respective attributes of the capitals that produce in an opposite direction, they will add to each other in the direction that the simple specific difference has. Still, if those difference have the same direction, they will tend to cancel each other. Consequently, the price of production of a commodity produced by capitals with an organic composition and turnover rate higher (lower) than the social average can take concrete form as a magnitude below (above) the value it contains. This can happen as soon as the organic composition and turnover rate of the capital that produces gold are even higher (lower) than the social average. When the net effect of all the determinations involved accidentally makes the simple prices of production of a specific commodity to move in the same direction and degree the exchangeability of gold as a product of capital does, the value of that commodity will take its completely developed concrete form of price of production as a magnitude identical to itself. And this will occur however much the capital that produces that commodity differs from the social average in its organic power to valorize itself.

This concrete determination of the prices of production manifests itself concerning the total social capital. It does so through the relation between the average organic composition and turnover rate of total social capital with respect to the same attributes in the case of gold. Disregarding an accidental coincidence, the value of the total social product ceases to appear as an unchanged magnitude of gold as soon as it reaches the present point in the development of its concrete form as the price of production of the total social capital that annually emerges from its process of valorization.

Let us assume that the commodity that directly or through its signs acts as money, has no other use-value than this. Let us also assume that this use-value becomes completely exhausted during the year in which it goes into circulation. On these basis, we can consider now that the special sphere n does not produce articles for the individual consumption of the capitalists but the money-commodity. To keep at sight the whole development of the transformation, we will still use the expression $c_{ij} t_j^c$, etc. for the previously considered form of the prices of production, although the coefficients t_j^c enter here with their own

determination already realized. Values quantitatively take now their concrete form of prices of production as:

$$\begin{aligned}
& \left(c_{11} t_1^c / t_n^c + \dots + c_{1l} t_l^c / t_n^c + v_{1(l+1)} t_{(l+1)}^c / t_n^c + \dots + v_{1m} t_m^c / t_n^c \right) + p = C'_1 t_1^c / t_n^c \\
& \dots \\
& \left(c_{l1} t_1^c / t_n^c + \dots + c_{ll} t_l^c / t_n^c + v_{l(l+1)} t_{(l+1)}^c / t_n^c + \dots + v_{lm} t_m^c / t_n^c \right) + p = C'_l t_l^c / t_n^c \\
& \left(c_{(l+1)1} t_1^c / t_n^c + \dots + c_{(l+1)l} t_l^c / t_n^c + v_{(l+1)(l+1)} t_{(l+1)}^c / t_n^c + \dots + \right. \\
& \quad \left. + v_{(l+1)m} t_m^c / t_n^c \right) + p = C'_{(l+1)} t_{(l+1)}^c / t_n^c \\
& \dots \\
& \left(c_{m1} t_1^c / t_n^c + \dots + c_{ml} t_l^c / t_n^c + v_{m(l+1)} t_{(l+1)}^c / t_n^c + \dots + v_{mm} t_m^c / t_n^c \right) + p = C'_m t_m^c / t_n^c \\
& \left(c_{(m+1)1} t_1^c / t_n^c + \dots + c_{(m+1)l} t_l^c / t_n^c + v_{(m+1)(l+1)} t_{(l+1)}^c / t_n^c + \dots + \right. \\
& \quad \left. + v_{(m+1)m} t_m^c / t_n^c \right) + p = C'_{(m+1)} t_{(m+1)}^c / t_n^c \\
& \dots \\
& \left(c_{n1} t_1^c / t_n^c + \dots + c_{nl} t_l^c / t_n^c + v_{n(l+1)} t_{(l+1)}^c / t_n^c + \dots + v_{nm} t_m^c / t_n^c \right) + p = C'_n \\
& \sum_{i=1}^n C'_i = \sum_{i=1}^n \left(C'_i t_i^c / t_n^c \right)
\end{aligned}$$

Given the velocity of the currency of money, a different quantity of it will be needed to make the product of the same amount of materialized social labor circulate when the value of this product develops into a mass of price of production that differs from it in its magnitude. If this change in the quantity of money is satisfied through a change in the quantity of gold that enters circulation, it will therefore affect the scale of gold production. In turn, this change will imply a reallocation of social capital into its concrete specific forms, therefore leading to a general movement in the prices of production. Nevertheless, at this stage of our development of the determinations of these prices we can assume that the change in the quantity of money takes place through the amount of money-signs placed in circulation. On doing so, we can leave the question of the effect of a material change risen by the transformation itself upon these very transformation out, until we face it where it belongs in general, competition.

The realization of capital-commodities in competition

In its developed concrete form, the general rate of profit is the synthetic form the capitalist regulation of the social metabolism process takes. Through its formation, capitalist society allocates its total labor-power and, therefore, its total capacity for consuming into their concrete material forms. Still, capitalism arises as the most developed historical negation of the direct regulation of human life. It is an autonomously regulated system. Therefore, the general rate of profit can only realize its determination by negating itself as the immediate form of the general social regulation to affirm itself through the action of the individual capitals, that is, in an indirect way.

In commodity-producing society, material production produces at the same time the general social relation. Consequently, this social relation necessarily reaches its complete

realization through the exchange of the material products as equivalent materializations of the same social content. In the proportion that the abstract labor materialized in a commodity is not determined as socially necessary, this commodity will enter exchange lacking the power to attract other commodities as its equivalents. Conversely, when a concrete labor has been performed short of the corresponding social necessity for its product, the abstract labor materialized in this product enters exchange determined as the equivalent of a greater amount of social labor. Although commodities are completely determined as materializations of a certain amount of socially necessary abstract labor in the very moment they are produced, their condition as such only becomes visible when they are actually exchanged. Only then their producers can recognize the concrete labor they have performed as exceeding or falling short of the respective social necessity, as they lose or gain in their power to exercise their general social relation, and therefore, to produce their own lives. And, only through this recognition, the specific social determination of their products as values can take its concrete shape in the movement of social labor from one concrete form to another.

In any social metabolism process, the magnitude of each social necessity includes, among its determinants, the magnitude of the social labor-power that has to be allocated into the corresponding concrete form to satisfy it. In general, this is an inverse relation. But, in this autonomously regulated social system, it is not an immediate relation. As any determination that concerns the allocation of concrete labor in commodity-producing society, it is mediated by the form itself in which the abstract labor materialized in each commodity is represented as socially necessary in the general social relation.

The socially necessary abstract labor embodied in capital-commodities completes its determination as such by making these commodities circulate as equivalent materializations of equally valorized capitals. Given the differences in the organic composition and in the turnover rate of the variable part of the capitals that valorize themselves in each special sphere of social production, capital-commodities do not realize their determination as materializations of socially necessary abstract labor if they go into circulation at their values. In this case, the capitals with the highest organic composition and the slowest turnover find their power to exercise their general social relation and, therefore, to produce their own “lives” as the alienated concrete subjects of the social metabolism process, diminished. Those capitals with the opposite attributes find these capacities increased. In pursuit of realizing their necessity as values that valorize themselves in an equal proportion, capitals move away from the spheres where they have the highest organic composition and the slowest turnover to get into the spheres that allow the opposite attributes. The circulation of commodities has thus acquired its first specific determination as the competition among capitals.

Following the movement of capitals from one sphere to another, social production changes in each corresponding proportion. Still, if commodities were circulating up to that moment at their values, the social necessity for each of them was accordingly determined. And, in commodity-production, social necessity means effective demand. Hence, now, it is exceeded in those spheres where capital has been attracted and insufficiently covered in those spheres from where capital has been expelled. The necessity of capitals to equally valorize themselves takes shape at this point in the fall of the magnitude in which the abstract labor materialized in the commodities with expanded production is represented as socially necessary in exchange. The opposite movement takes place in the market-prices of the commodities with a diminished production. The capitals that undergo the downward movement can no longer appropriate the whole surplus-value they directly extract from their wage-laborers. Those that experience the upward movement start to appropriate a larger amount of surplus-value than that they directly extract. All the surplus-value that the former capitals can lose is that which the latter capitals have to win, and vice versa. Beyond this point, the movements in question cease to be the concrete form through which capitals determine themselves as aliquot parts of

total social capital to become the negation of this determination. Therefore, the transformation of values into prices of production necessarily takes shape through a change in the magnitude of the social necessity for each use-value. From which, that transformation takes shape through a change in the material forms of the social production, which means, a different allocation of the social labor-power into its concrete forms.

It is only through this material change that the transformation of values into prices of production affects total social capital as such. According to its general determination, this transformation takes shape by expanding the production of the spheres with a lower organic composition and faster turnover of capital, while it contracts the production of the capitals with the highest organic composition and lowest turnover rate. Nevertheless, this general determination may present some specific movements that are opposed to it. Some commodities may get their production expanded beyond the general proportion as they substitute other commodities with an alternative use-value, once an unfavorable proportion between their values becomes inverted at their prices of production. This sort of inversion can even make way for commodities excluded from production at their values, as well as it can completely exclude others from production. Besides, some commodities may get their production increased even though their prices of production are higher than their values. For example, this can happen when the price of production of an alternative use-value grows in an even greater degree above its value, causing its substitution; or when the fall in the price of production of another commodity that is associated with them in consumption outdoes their higher price.

All these changes do not involve a change in the productivity of labor that the social capital can put into action. This productivity emerges from the material conditions in which each production is performed in a given moment. And these conditions have remained untouched. So, thus far, it is only about changes in the average organic composition that result from changes in the weight with which capitals with different organic compositions enter that average. Nevertheless, if the scale in which a specific commodity is produced changes, a change in the technical conditions of its production may result. An increased (diminished) scale can create by itself the conditions for a higher (lower) productivity, provided the consequent increase (decrease) in the specific organic composition does not offset the initial increase (decrease) in the scale. Still, the transformation of surplus-value into average profit determines the productivity of labor beyond this change in scales. Let us consider a productive technique excluded from production since it requires more labor to produce the same use-value than the technique in use. Nevertheless, the lower organic composition that corresponds to it may result in a price of production lower than the one that corresponds to the technique in use up to that moment. As soon as commodities circulate at their prices of production, these techniques are shifted, causing the productivity of labor to move backwards. This is a specific obstacle capitalist regulation of social life rises against its own general trend towards the increase of productivity of labor, as this increase is the source of relative surplus-value. Since techniques that involve a lower productivity are put into action, a lower general rate of surplus-value but a higher general rate of profit result.

Given the magnitude of society's total capital, the general expansion of the capitals with the lower organic compositions and the contraction of those with the higher ones puts a greater amount of labor-power into action, while the rate of surplus value remains unchanged. From which, the total amount of surplus-value increases. Concerning the eventual specific introduction of techniques with a lower productivity of labor, the expanded base upon which surplus-value is produced tends to counteract the fall in its rate. Consequently, in general, total social capital appropriates an increased amount of surplus-value just because this surplus-value develops its concrete form of average profit. Always considering a given

amount of total social capital, this increased surplus-value results in an increased general rate of profit.

We have finally completed the development of values into their concrete form of prices of production. To represent the annual valorization of social capital including the determinations that emerge from its realization through competition we must start by accounting for all the concrete forms that configure competition itself. Obviously, this specification only fits here in its most abstract form; that is, as a mere enunciation of the possible relations involved concerning the transformation of values into prices of production itself, that even excludes the eventual substitution of a technique by another. Following from the stage we reached before we specifically considered the mediation of money, and calling q_i the factor that reflects the material changes that occur in each element - so the original values appear now developed into their concrete forms of prices of production of a mass of each use-value i that differs from the original one as $c_{ij} t_j^{cc} q_{ij}, v_{ij} t_j^{cc} q_{ij}, C'_i t_i^{cc} q_i$ - and p^{cc} the completely developed concrete form that the average rate of profit takes, we have:

$$\left(c_{11} t_1^{cc} q_{11} + \dots + c_{1l} t_l^{cc} q_{1l} + v_{1(l+1)} t_{(l+1)}^{cc} q_{1(l+1)} + \dots + v_{1m} t_m^{cc} q_{1m} \right) + p = \sum_{i=1}^n \left(c_{i1} t_1^{cc} q_i \right)$$

...

$$\left(c_{l1} t_1^{cc} q_{l1} + \dots + c_{ll} t_l^{cc} q_{ll} + v_{l(l+1)} t_{(l+1)}^{cc} q_{l(l+1)} + \dots + v_{lm} t_m^{cc} q_{lm} \right) + p = \sum_{i=1}^n \left(c_{il} t_l^{cc} q_i \right)$$

$$\left(c_{(l+1)1} t_1^{cc} q_{(l+1)1} + \dots + c_{(l+1)l} t_l^{cc} q_{(l+1)l} + v_{(l+1)(l+1)} t_{(l+1)}^{cc} q_{(l+1)(l+1)} + \dots + v_{(l+1)m} t_m^{cc} q_{(l+1)m} \right) + p = \sum_{i=1}^n \left(c_{i(l+1)} t_{(l+1)}^{cc} q_{i(l+1)} \right)$$

...

$$\left(c_{m1} t_1^{cc} q_{m1} + \dots + c_{ml} t_l^{cc} q_{ml} + v_{m(l+1)} t_{(l+1)}^{cc} q_{m(l+1)} + \dots + v_{mm} t_m^{cc} q_{mm} \right) + p = \sum_{i=1}^n \left(c_{im} t_m^{cc} q_{im} \right)$$

$$\left(c_{(m+1)1} t_1^{cc} q_{(m+1)1} + \dots + c_{(m+1)l} t_l^{cc} q_{(m+1)l} + v_{(m+1)(l+1)} t_{(l+1)}^{cc} q_{(m+1)(l+1)} + \dots + v_{(m+1)m} t_m^{cc} q_{(m+1)m} \right) + p = C_{(m+1)} t_{(m+1)}^{cc} q_{(m+1)}$$

...

$$\left(c_{n1} t_1^{cc} q_{n1} + \dots + c_{nl} t_l^{cc} q_{nl} + v_{n(l+1)} t_{(l+1)}^{cc} q_{n(l+1)} + \dots + v_{nm} t_m^{cc} q_{nm} \right) + p = C_n t_n^{cc} q_n$$

$$\sum_{i=1}^n C_i q_i = \sum_{j=1}^l \sum_{i=1}^n \left(c_{ij} t_j^{cc} q_j \right) + \sum_{j=(l+1)}^m \sum_{i=1}^n \left(c_{ij} t_j^{cc} q_j \right) + \sum_{i=(m+1)}^n \left(C_i t_i^{cc} q_i \right)$$

$$q_{11} = f(t_1^{cc}, \dots, t_n^{cc})$$

...

$$q_{nm} = f(t_1^{cc}, \dots, t_n^{cc})$$

$$q_{(m+1)} = f(t_1^{cc}, \dots, t_n^{cc})$$

...

$$q_n = f(t_1^{cc}, \dots, t_n^{cc})$$

No specificity arises from the transformation of the commodity that acts as money into a capital-commodity concerning its realization through competition. There is no need then to represent its quantitative determinations here.

Total social capital and conscious revolutionary action

We have followed commodities through their development into their specific form of capital-commodities. We have seen how commodities - the products of socially necessary abstract labor represented as the capacity of these products for relating among themselves in exchange thus socially relating their producers - have transformed themselves into the real

products of capital. Through this transformation, the materialized fetishistic general social relation becomes the immediate concrete subject of social life itself, producing human beings as its personifications and alienating all human potencies as its potencies. The social metabolism process now regulates itself through the accumulation of capital. As such constant reproduction of the self-valorization of substantive value, the general regulation of social life lacks any qualitative determination other than the equal valorization of the capitals advanced to perform social production. Surplus-value takes concrete form of average profit. Commodities are no longer exchangeable as equivalent materializations of socially necessary abstract labor, but as materialization of this labor which is represented as the capacity of capital-commodities for being exchanged as equivalent materializations of equally valorized values. With the reproduction of the valorization process, capital-commodities become determined as equivalent materializations of equally valorized values that have equally valorized themselves. The value of commodities thus has completely metamorphosed itself into the price of production of capital-commodities.

On reaching this point, not a single quantitative trace of the values of capital-commodities remains immediately recognizable in these values' concrete forms of prices of production. This happens whether a singular commodity, a singular capital, the specific parts of total social capital or this capital itself, and whether prices of production as such or their changes, are considered. From an equally external point of view, average profit and its rate appear to be alien to any organic determination, and even to any simple formal determination, of capital's valorization by its capacity for producing surplus-value. Nevertheless, these appearances will not fool us when the moment comes to take action on them. We have already appropriated in thought the complete necessity of the prices of production by following it step by step along its development. We have thus discovered that the apparent self-determination of this prices is not such but the necessary concrete form through which the socially necessary abstract labor materialized in capital-commodities is represented as the capacity of these commodities to act as the general social relation. At the same time, we have discovered how capital's capacity for appropriating surplus-value necessarily appears with its magnitude distorted and its laws inverted under its concrete form of the general rate of profit.

Now we can extend Marx's conclusions to the complete development of surplus-value into average profit as follows: "What competition does *not* show, however, is the determination of value, which dominates the movement of production; and the values that lie beneath the prices of production and that determine them in the last instance. Competition, on the other hand, shows: 1) the average profits, which are independent of the organic composition of capital in the different spheres of production, and therefore also of the mass of living labour appropriated by any given capital in any given sphere of exploitation" - and we add, whose rate differs from the relation between total surplus-value and total capital; "2) the rise and fall of prices of production caused by changes in the level of wages, a phenomenon which at first glance completely contradicts the value relations of commodities" - and we add, that appear to be free from any necessary determination; "3) the fluctuations of market-prices, which reduce the average market-price of commodities in a given period of time, not to the market-*value*, but to a very different market-price of production, which diverges considerably from this market-value" - and we add, whose total amounts also diverge for the social product, constant capital, variable capital and surplus-value; 4) the organic relation between the total constant capital and the total variable capital annually consumed and between the total annual profit and the total variable capital annually consumed, as completely alien to the capacity of capital for valorizing itself. "All these phenomena *seem* to contradict the determination of value by labour-time as much as the nature of surplus-value consisting of unpaid surplus-labour. *Thus everything appears reversed in competition.* The final pattern of economic relations as seen on the surface, in their real existence and consequently in the conceptions by which the bearers

and agents of these relations seek to understand them, is very much different from, and indeed quite the reverse of, their inner but concealed essential pattern and the conception corresponding to it.” (Marx, Capital III, pp. 208-9)

Not in vain, capital accumulation autonomously regulates the social metabolism process behind the backs of the individuals. Conscious action rules inside each individual capital, but only as far as it is a necessary concrete form that the general autonomous regulation takes. Such is the field where the appearances of competition belong. Capital accumulation is, in itself, the very negation of the conscious regulation of this process.

Since it is empty of any immediate necessity other than the purely quantitative of increasing its own value, capital cannot find in itself a qualitative limit to the expansion of its valorization process. Hence, the insatiable thirst of human blood and flesh it has. Still, it can only go on with its expansion by making the production of relative surplus-value its main source of valorization. The production of surplus-value can only take concrete form through the unlimited concentration of capital and the control of production and consumption by science as a social potency personified in the collective-laborer (and, therefore, in the proletariat itself as a class). But this twofold concrete form is, in itself, the very negation of private property upon the social means of production and of the unconscious regulation of human life through the proletariat’s action alienated as a capital’s potency (as any potency of the proletariat is). It is, in itself, the very annihilation of capitalism through its own development, into the conscious regulation of the social metabolism process by the therefore freely associated individuals, into socialism or communism.

It is about the production of the conscious regulation of the social metabolism process as the realization of the proletariat’s most genuine historical determination. Therefore, it is about an action of the proletariat that needs to be, in itself, a conscious action. It is about a revolutionary action that regulates itself through the cognition of its own necessity by reproducing it in thought, thus overcoming the alienation of the proletariat’s consciousness inherent in any interpretation of the world. And, as this action directly concerns *total social capital*, it is about *the political revolutionary action of the proletariat*.

Total social capital reaches its real determination overcoming any formal aggregation of individual capitals, only as simple commodities are turned into capital-commodities through the transformation of surplus-value into average profit. From this transformation on, our materialized general social relation takes a prices of production-form. To consciously personify the revolutionary potency our general social relation carries in itself, we need to rule our action by appropriating in thought the determinations of these prices of production, as far as our action becomes itself a specific form for those determinations to be realized. Since prices of production inhere in the general form itself that our general social relation takes, there is hardly a concrete form of revolutionary action and, furthermore, of the proletariat’s political action in general, that is not, in itself, such realization. Just to point out some obvious examples, these concrete actions range from the struggles through which the value of labor-power takes concrete form as wages, or the question of scientific priorities through which the development of the productivity of labor takes concrete form, to the transformation of capital into a directly collective property and, therefore, a directly collective human alienated potency, inside a national or international ambit of capital accumulation through a social revolution.

In other words, it is not about interpreting Marx’s texts on the transformation of values into prices of production, whichever form this interpretation takes. It is about facing capital in reality, as it directly concerns through this transformation our revolutionary conscious action, searching in it for the necessity of this action, to rule it by reproducing this necessity in thought. And it is here where Marx’s advances in reproducing through thought the specificity of capitalist society come in: we expand the reach of our own advance through this

reproduction as far as it can be developed, not as an original process of cognition but, as a process of recognition from the social point of view, by critically using *Capital* as its support. Which means that this support has to be renewed each time we face a specific real concrete form that concerns our action, as we can only reproduce this form in thought provided we do not isolate it from the complete development of its own necessity, that starts to emerge from its simplest forms.

Therefore, from the point of view of present-day conscious revolutionary action, it is not about “understanding” exploitation or “understanding” the movements in prices. “Understanding” exploitation takes us nowhere concerning this action. It does not follow the necessity inherent in exploitation through its complete development into its concrete forms, up to facing it as a potency which has our political action - and more precisely, our political action determined as an action that has needed to follow all this path to become a conscious action - as its own necessary form of realizing itself into its self-annihilation. And, certainly, in a more direct or indirect way, exploitation always takes concrete form through prices of production. Instead, “understanding” turns this real abstract form that shapes itself in prices of production, the expropriation of surplus-value, capitalist exploitation, into a pure abstraction. Reciprocally, “understanding” the movements in prices isolates these movements from the complete development of their necessity, thus turning these concrete forms that capitalist exploitation takes, into another set of pure abstractions. As such, these abstractions do not go beyond the appearances of competition that really concern the action of those who personify capital’s historical necessity as a mere process of expropriation of surplus-value. But the point concerning conscious revolutionary action is to personify capital’s historical opposite necessity, that of superseding itself into a free human society.

References

a. The reproduction in thought of the development of the transformation of values into prices of production in its simplest form

- Marx, K. (1963) *Theories of Surplus-Value* Part I (Moscow: Progress Publishers).
Marx, K. (1964) Manuscripts published as *Economic and Philosophic Manuscripts of 1844* (New York: International Publishers).
Marx, K. (1965) *Capital*, vol. I (Moscow: Progress Publishers).
Marx, K. (1967) *Capital*, vol. II (Moscow: Progress Publishers).
Marx, K. (1966) *Capital*, vol. III (Moscow: Progress Publishers).
Marx, K. (1968) *Theories of Surplus-Value* Part II (Moscow: Progress Publishers).
Marx, K. (1971a) *Theories of Surplus-Value* Part III (Moscow: Progress Publishers).
Marx, K. (1971b) *A Contribution to the Critique of Political Economy* (London: Lawrence & Wishart).
Marx, K. (1973) *Grundrisse* (New York: Vintage Books).
Marx, K. (1976) "Results of the Immediate Process of Production" included as an Appendix of *Capital*, volume I, (Harmondsworth: Penguin).

b. General development of the reproduction of the real forms in thought

Iñigo, Juan (1993) *Capital's Development into Conscious Revolutionary Action. Critique of Scientific Theory* (Buenos Aires: CICP)

c. The Transformation Problem

- Armstrong, P., Glyn, A. and Harrison, J. (1978) "In Defense of Value" *Capital & Class*, no. 5, pp. 1-31.
Benetti, Carlo and Cartelier, Jean (1975) "Profit et Exploitation: Le Problème de la Transformation des Valeurs en Prix de Production" in *Economie Clasique, Economie Vulgaire* edited by C. Benetti, C. Berthomieu, and J. Cartelier (Grenoble: Presses Universitaires de Grenoble).
Bortkiewicz, L. von (1952) "Value and Price in the Marxian System", *International Economic Papers*, vol. 2, pp. 5-60.
Bortkiewicz, L. von. (1973). "On the Correction of Marx's Fundamental Theoretical Construction in the Third Volume of Capital." in *Karl Marx and the Close of His System* edited by P. Sweezy (Clifton, NJ: Kelley).
Carchedi, G. (1987) *Class Analysis and Social Research* (Oxford: Basil Blackwell).
Carchedi, G. (1993) "Marx's Logic of Inquiry and Price Formation" in *Marx's Method in "Capital"* edited by F. Moseley (New Jersey: Humanities Press).
Ciafardini, H. (1983) *El valor en la concurrencia* (Buenos Aires: CLACSO).
De Vroey, M. (1982) "On the Obsolescence of the Marxian Theory of Value: A Critical Review." *Capital & Class*, no. 17, pp. 34-59.
Dostaler, G. (1982) "Marx's Theory of Value and the Transformation Problem: Some Lessons From a Debate" *Studies in Political Economy*, vol. 9, pp. 77-101.
Duménil, G. (1983-4) "Beyond the Transformation Riddle: A Labor Theory of Value" *Science & Society*, vol. XLVII, 4, pp. 427-450.
Duménil, G. (1984) "The So-Called 'Transformation Problem' Revisited: A Brief Comment" *Journal of Economic Theory*, vol. 33, pp. 340-48.

- Ehrbar, H. (1989) "Mathematics and the Labor Theory of Value" *Review of Radical Political Economics*, vol. 21.3, pp. 7-12.
- Eldred, M. and Hanlon, M. (1981) "Reconstructing Value-Form Analysis", *Capital and Class*, no. 13, pp. 24-60.
- Fine, B. (1983) "A Dissenting Note on the Transformation Problem" *Economy and Society*, vol. 12.4, pp. 520-25.
- Foley, D. K. (1982) "The Value of Money, the Value of Labor Power, and the Marxian Transformation Problem" *Review of Radical Political Economics*, vol. 14.2, pp. 37-47.
- Gerstein, I. (1976) "Production, Circulation and Value: The Significance of the 'transformation problem' in Marx's Critique of Political Economy" *Economy and Society*, vol. 5, pp. 243-91.
- Gleicher, D. (1985) "A Rejoinder to Eldred, Abstract Labor, the Rubin School and the Marxist Theory of Value." *Capital & Class*, no. 24, pp. 147-55.
- Gleicher, D. (1989) "Labor Specialization and the Transformation Problem" *Review of Radical Political Economics*, vol. 21(1+2), pp. 75-95.
- Glick, M. and Ehrbar, H. (1987) "The Transformation Problem: An Obituary", *Australian Economic Papers*, vol. 26, pp. 294-317.
- Harvey, P. (1985) "The Value-Creating Capacity of Skilled Labor in Marxian Economics" *Review of Radical Political Economics*, vol. 17.1+2, pp. 83-102.
- Hodgson, G. (1982) "Marx Without the Labor Theory of Value" *Review of Radical Political Economics*, vol. 14.2, pp. 59-66.
- Kliman, A., and McGlone, T. (1988) "The Transformation Non-Problem and the Non-Transformation Problem" *Capital & Class*, 35, pp. 56-83.
- Lima Maldonado Filho, E. A. de (1981) "Liberação e Absorção de Capital e a Transformação do Valor das Mercadorias em Preços de Produção" *Ensaio FEE*, 2(2), pp. 73-88.
- Lipietz, A. (1982) "The So-Called 'Transformation Problem' Revisited" *Journal of Economic Theory*, vol. 26, pp. 59-88.
- Mandel, E. (1981) "Introduction" to Karl Marx, *Capital III* London: Penguin Books.
- May, K. (1948) "Value and Price of Production: A Note on Winternitz' Solution" *The Economic Journal*, Dec, pp. 596-99.
- Medio, A. (1972). "Profits and Surplus-Value: Appearance and Reality in Capitalist Production" in *A Critique of Economic Theory* edited by E. K. Hunt and J. Schwartz (Baltimore: Penguin).
- Meek, R. L. 1956. "Some Notes on the 'Transformation Problem' *The Economic Journal*, March, pp. 94-107.
- Morishima, M. (1973) *Marx's Economics: A Dual Theory of Value and Growth* (Cambridge: Cambridge University Press).
- Moseley, F. (1993) "Marx's Logical Method and the 'Transformation Problem' in *Marx's Method in "Capital"* edited by F. Moseley (New Jersey: Humanities Press).
- Naples, Michele (1989) "A Radical Economic Revision of the Transformation Problem" *Review of Radical Political Economics*, vol. 21(1+2), pp. 137-58.
- Ochoa, E. (1989) "Values, Prices, and Wage-Profit curves in the US Economy" *Cambridge Journal of Economics*, vol. 13.3, pp. 413-429.
- Petrovic, P. (1987) "The determination of production prices from labour values: some methodology and empirical evidence" *Cambridge Journal of Economics*, vol. 11.3, pp. 197-210.
- Reuten, G. (1988) "The Money Expression of Value and the Credit System: a Value Form Theoretic Outline" *Capital & Class*, 35, pp. 121-41.
- Roncaglia, A. (1978) *Sraffa and the Theory of Price* (Chichester: John Wiley).

- Samuelson, P. A. (1971) "Understanding the Marxian Notion of Exploitation: A Summary of the So-called Transformation Between Marxian Values and Competitive Prices" *Journal of Economic Literature*, vol. IX, pp. 399-431.
- Seton, F. (1957) "The Transformation Problem" *Review of Economic Studies*, vol. 24, pp. 149-160.
- Shaikh, A. (1977) "Marx's Transformation of Value and the 'Transformation Problem'" in *The Subtle Anatomy of Capitalism* edited by J. Schwartz (Santa Monica, CA: Goodyear Publishing).
- Shaikh, A. (1982) "Neo-Ricardian Economics: A Wealth of Algebra, A Poverty of Theory" *Review of Radical Political Economics*, vol. 14.2, pp. 67-83
- Shaikh, A. (1984) "The Transformation from Marx to Sraffa", in *Ricardo, Marx, and Sraffa* edited by E. Mandel and A. Freeman (London: Verso).
- Sraffa, P. (1960) *The Production of Commodities by Means of Commodities* (Cambridge: Cambridge University Press).
- Steedman, I. (1973) "The Transformation Problem Again" *Bulletin of the Conference of Socialist Economists*, vol. 11, no. 6, Autumn.
- Steedman, I. (1977) *Marx After Sraffa* (London: New Left Books).
- Sweezy, P. M. (1942) *The Theory of Capitalist Development* (New York: Monthly Review Press).
- Valtikh, K. (1980) "The Marxian Price of Production Theory in a Formalised exposition" *Social Sciences*, 4.
- Vroey, M. de (1982) "On the Obsolescence of the Marxian Theory of Value" *Capital & Class*, no. 17, pp. 34-59.
- Winternitz, J. (1948) "Values and Prices: A Solution of the So-Called Transformation Problem" *The Economic Journal*, June, pp. 276-80.
- Wolff, R., Callari, A. and Roberts, B. (1983) "A Marxian Alternative to the 'Transformation Problem.'" *Review of Radical Political Economics*, vol. 15, pp. 115-35.
- Yaffe, D. (1973) "Value, Price and the Neo-Ricardians: An Introductory Note" *Bulletin of the Conference of Socialist Economists*, vol. 11, no. 6, Autumn.

(Specific references to each of these texts will be included in the second part of this work.)